



Daily Report—

East Asia

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Daily Report

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Japan

Fujii Expresses Concern Over Bentsen's Remarks

OW2610022393 Tokyo KYODO in English 0210 GMT
26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—Finance Minister Hirohisa Fujii denied Tuesday [26 October] recent news reports that a government advisory panel has decided to call for a 5 trillion yen income tax cut and a consumption tax rate hike to 7 percent from the current 3 percent. "It's still a blank sheet," Fujii told reporters after the morning cabinet meeting.

Fujii said Finance Ministry officials he had talked to about the recent reports denied any such decision had been made by the tax commission. "I believe so too," he said.

Turning to Japan-U.S. affairs, Fujii expressed concern over remarks by U.S. Treasury Secretary Lloyd Bentsen on Monday favoring bills in Congress proposing retaliatory action against countries that do not allow reciprocity in the financial services sector.

Japan expressed its regret to the United States when a similar move was made in the past, and "we will do so again" if the same situation arises, he said. Fujii stressed, however, that he has not yet checked the details of Bentsen's reported comments.

Referring to the trading of East Japan Railway Co. (JR East) stock listed Tuesday on the Tokyo Stock Exchange, Fujii said he did not think the stock price was "overheating." JR East stock, which was offered to the public at 380,000 yen per share, drew heavy buying on the exchange to surge on bid-only quotations with no sell orders.

The popularity reflects "the market's judgment of the company's business state," said Fujii. He brushed aside suggestions that the government plans to use income from the liquidation of JR East stock.

Unlike the Nippon Telegraph and Telephone Corp. (NTT) stock held by the government, JR stocks are for use by JNR Settlement Corp., Fujii said.

Asked about the resumption of NTT stock liquidation in the next fiscal year, Fujii said his ministry would discuss the subject before compiling the next budget.

Access Claim by U.S. Airfreight Firm Viewed

OW2510131993 Tokyo KYODO in English 1254 GMT
25 Oct 93

[Text] Tokyo, Oct. 25 KYODO—The U.S. Department of Transportation has accepted claims filed by Federal Express Corp. that Japan is unfairly resisting its request to launch service between Anchorage and Cebu, the Philippines, via Tokyo, Japanese Transport Ministry officials said Monday [25 October].

The Japanese officials said the issue may lead to retaliatory measures by the United States if the case is not resolved through bilateral negotiations.

The major airfreight company submitted a request in July through diplomatic channels to the Japanese Foreign Ministry to open the route for a weekly flight. But the Foreign Ministry suggested the company contact the Japanese Transport Ministry for permission, which is necessary for flights that go beyond Japan.

Federal Express instead filed a complaint with the U.S. Government, the officials said.

Hosokawa on Open Competitive Bidding System

OW2310021393 Tokyo KYODO in English 0114 GMT
23 Oct 93

[By Antonio Kamiya]

[Text] Washington, Oct. 22 KYODO—The United States lamented an apparent stalemate Friday [22 October] in the long-running public works dispute with Japan as Tokyo braced itself to face U.S. sanctions scheduled to go into effect next month.

Trade negotiators from the two countries held their latest round of talks this week in Tokyo but U.S. officials in Washington said there has been no progress. "There has been no breakthrough," a U.S. trade official said of the construction market talks in Japan.

U.S. trade officials, however, still hold out hopes for a last-minute agreement to avert the imposition of trade sanctions, which analysts say could sour the overall relations between the two economic giants.

"We will continue to discuss with the Japanese to hammer out an acceptable agreement," said the U.S. trade official, who spoke on condition of anonymity.

The dispute stems from a formal complaint made by U.S. Trade Representative Mickey Kantor on April 30 that the Japanese Government discriminates against U.S. construction and engineering firms in procurement for public works projects in Japan.

Kantor initially gave Tokyo 60 days to either agree to certain proposals or face trade sanctions from Washington but later postponed the deadline until November 1.

Deputy U.S. Trade Representative Charlene Barshefsky told reporters in Tokyo on Friday that the November 1 deadline is real and the U.S. will take trade actions unless the Japanese "come forward with a plan" on the basis of U.S. proposals.

Washington has demanded that Japan adopt open bidding for public works projects, step up antitrust enforcement to deter bid rigging and set up yardsticks to measure the progress of foreign firms in penetrating Japan's construction market.

Although Tokyo and Washington have been embroiled in a series of trade disputes over access of U.S. firms to the Japanese market, construction is the first issue the administration of President Bill Clinton has set up for direct confrontation with Tokyo.

Japanese Prime Minister Morihiro Hosokawa, who is due to meet Clinton in Seattle around November 19, has said he wants to avoid an open trade war with the U.S., Japan's largest trade partner.

On Friday, Hosokawa told a cabinet meeting that he wants "bold determination and special cooperation" from Japanese Government agencies to work out a settlement with Washington.

According to a "summary of remarks" released by the Japanese Embassy in Washington, Hosokawa was quoted as telling the cabinet meeting, "I would like to compile within this month basic plans to introduce an open competitive bidding system on projects above a certain value, and to improve the bidding and contracting system of public works based on principles of transparency and competitiveness.

"I also intend to formulate a plan which makes such basic plans concrete, taking account of the result of the review at the Central Council on Construction Contracting Business," the embassy statement quoted Hosokawa as saying. The council, which acts as the principal government advisory body on public works bidding, is due to meet Tuesday.

Officially, the Japanese Government says Tokyo is not bound by the November 1 deadline, describing it as an arbitrary U.S. move.

In addition, Japanese officials have warned that Japan will impose countersanctions if Washington takes punitive action against Japanese firms. The threat of sanctions and countersanctions has prompted a senior U.S. Commerce Department official to observe that Japan-U.S. trade relations may be on a "slippery slope" if no agreement is reached on the construction trade dispute.

Igarashi Notes Need To Reform Bidding System

OW2210064393 Tokyo NHK General Television Network in Japanese 0300 GMT 22 Oct 93

[Announcer-read report over video of Construction Minister Kozo Igarashi's news conference on the money-for-favor scandals involving major construction firms]

[Excerpts] [passage omitted on continuing investigation by Tokyo Prosecutor's Office into the bribery case involving Kajima Corporation, a major construction firm]

At a news conference held after the Cabinet meeting this morning, Construction Minister Igarashi said: Kajima Corporation has also been found to be involved in the bribery case. I cannot help thinking that the underlying

scandals are a structural problem of our country's construction industry rather than a problem with merely one company. I strongly hope that the construction sector will try to reform itself. At the same time, the Construction Ministry will make an all-out effort to promote administrative reform for construction, including drastic reform of the bidding system.

Changing of Foreign Contractors' Ranking Studied

OW2610013293 Tokyo KYODO in English 0119 GMT 26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—A government committee on Tuesday [26 October] started discussing whether the Construction Ministry should change its allegedly discriminatory method of ranking foreign contractors, ministry sources said. The debate by the committee, a subdivision of the Construction Ministry's Central Council on Construction Contracting Business, is being held in a bid to avoid possible U.S. sanctions against the Japanese construction industry.

In the ongoing Japan-U.S. construction talks, the United States has said Japan's bidding systems for public works are unclear and a barrier to foreign participation.

Among other things, the U.S. criticized the ministry's way of ranking domestic and foreign contractors before allowing them to participate in bidding for public works projects. It said that only companies which are ranked "A" based on their performance in the past can participate in public works bidding, and this is disadvantageous to new foreign participants.

The U.S. has said it will impose sanctions against Japan on November 1 if no progress is achieved in the bilateral construction talks.

Action Plan for Public Works Bidding Outlined

OW2610035293 Tokyo KYODO in English 0310 GMT 26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—The government Tuesday [26 October] issued outlines of the planned action program to improve its public works bidding systems, in a bid to end a deadlock in construction talks with the United States.

In the written outline released by the Cabinet Secretariat, the government stated that the basic policy is to place importance on creating more-transparent systems for public works bidding and contract procedures. The action program is expected to be formally adopted before Prime Minister Morihiro Hosokawa's visit to the United States scheduled for January.

Japan will make offers matching those by its trade partners at the negotiations on construction services in the Uruguay Round of world trade talks to help bring to

a successful conclusion the round held under the General Agreement on Tariffs and Trade (GATT), the statement said.

Specifically, it said Japan will introduce open bidding systems for a certain scale of public works projects of the government and government-related special organizations to ensure foreign participation.

As for foreign contractors willing to bid in Japan's public works sector, Japan will introduce ways of fairly evaluating their management and technological abilities, the outline said.

The action program was compiled by the Construction Ministry and other government agencies concerned to resolve the deadlock in construction talks with the U.S., which charges that Japan's public works bidding system is a barrier to foreign companies.

Chief Cabinet Secretary Masayoshi Takemura said Japan strongly hopes that the U.S. will understand the new program and refrain from imposing trade sanctions slated to come in on November 1 unless some progress is made by then.

The action program is expected to be proposed through diplomatic channels to the U.S. this week in an effort to avert the U.S. sanctions due to become effective next Monday, according to government sources. The open bidding system is likely to be introduced for all public works projects worth 700 million yen or more, the sources said.

The government said Japan will improve the systems for providing information on public works and bidding procedures, so as to eliminate any discrimination against foreign participants in public works bidding.

The systems should become more transparent for ordering design works and consulting services in public works projects, which foreign contractors are often interested in, it said. Management of joint ventures and trouble-shooting systems will also be improved, it added.

The program includes measures to prevent bid-rigging and bribery, of which major Japanese general contractors have often been accused.

Penalties on bid-rigging and bribery will be strengthened by such means as extending the duration of suspensions of business of violating companies and excluding them from construction tenders.

Japan will also draw up overall guidelines for public works bidding to replace the current guidelines, the government said, adding it will ensure a stricter implementation of the Antimonopoly Law in this respect.

Takemura stressed this point, saying that the action program is not only aimed at responding to U.S. demands but also reforming the nature of the Japanese construction industry. Tsutomu Hata told reporters that the action program will acquire international recognition

as an adequate effort by Japan to open up its construction market. But he expressed strong objection to the U.S. attitude of threatening its trade partners with unilateral sanctions for the sake of negotiations.

Following are excerpts from the government's action program announced Tuesday designed to improve the transparency of the bidding process for public works projects.

The government will:

- Introduce an open bidding system so that foreign companies can make bids.
- Make projects by government agencies and public corporations with a certain size subject to an open bidding system.
- Set "objective, transparent and publicized" standards to maintain the quality of public works projects.
- Strengthen measures against unfair practices such as bid-rigging and bribery.
- Strictly enforce the Antimonopoly Law.
- Draft standards on making bids for public works projects.
- Treat foreign companies equally with Japanese firms and give them full access to information about public works projects.
- Improve procedures for filing complaints about public works projects.

***Relief Expressed Over U.S. Delaying Sanctions**

*OW2610161093 Tokyo KYODO in English 1533 GMT
26 Oct 93*

[Text] Tokyo, Oct. 27 KYODO—A senior Japanese Construction Ministry official expressed relief early Wednesday [27 October] over U.S. Trade Representative Mickey Kantor's announcement that Washington will postpone threatened retaliatory trade sanctions against Japanese construction procurement practices.

The official, speaking on condition of anonymity, said that while he has not yet received an official report on Kantor's statement, according to media reports the results were what he has been anticipating.

Kantor said in Washington on Tuesday that the United States would put off until January 20 next year retaliatory measures unless Japan took positive steps to liberalize its construction market.

The measures were earlier set to take effect November 1.

The official speculated that the U.S. is probably planning to watch to see what kind of action program Japan will adopt before the newly postponed date.

The basic outlines of a program aimed at improving access by foreign contractors to domestic public works spending were announced by the Japanese Government Tuesday.

Further on Russian Economist's News Conference
OW2510160993 Tokyo KYODO in English 1514 GMT
25 Oct 93

[Text] Tokyo, Oct. 25 KYODO—Former Soviet Deputy Premier Leonid Abalkin said here Monday [25 October] that Russia may face a renewed political crisis before next spring if the Russian Government fails to hastily come up with solid economic policies.

Abalkin, who now heads the Institute of the Economy at the Russian Academy of Sciences in Moscow, issued the prediction at a press conference in Tokyo. He said the government of President Boris Yeltsin has hitherto been able to justify slow progress on the economic front by pinning blame on conservatives in the parliament, who have been accused of obstructing reforms.

But in the wake of Yeltsin's quelling of a parliamentary rebellion earlier this month, the government will have nobody to blame but itself if the country's economic situation deteriorates even further, he said. He called on the government to formulate economic policies to address such specific tasks as housing construction and food production.

Abalkin, an economist by profession, served as deputy prime minister and chairman of the commission for economic reforms from 1989 to 1991 under then Soviet President Mikhail Gorbachev.

Hata Meets With Russian Atomic Energy Minister

OW2610045793 Tokyo KYODO in English 0439 GMT
26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—Russian Atomic Energy Minister V.N. Mikhaylov urged Japan on Tuesday [26 October] to buy uranium removed from scrapped Russian nuclear weapons, Foreign Ministry officials said. Mikhaylov suggested to Foreign Minister Tsutomu Hata that Japan purchase some 100 million dollars worth of highly enriched uranium every year for 20 years.

He said this would contribute to Russia's disarmament, which would in turn be of benefit to Japan, the officials said.

Russia is currently negotiating with the United States to sell 12 billion dollars worth of uranium over 20 years, he was quoted as saying.

Hata replied that in Japan, acquisitions of uranium for commercial use are made by the private sector under long-term plans, so the government cannot decide on such purchases. But he added that he will convey the Russian offer to the private sector, they said.

Hata voiced concern in the 50-minute meeting over Russia's dumping of 900 tons of radioactive waste into the Sea of Japan on October 17, the officials said. He said it was a great shock because it came immediately

after the visit to Japan by Russian President Boris Yeltsin, and also stressed the importance of fish catches from the sea.

Moscow suspended plans to dump a second load of waste after strong protests from Japan and South Korea.

Mikhaylov was quoted as saying Yeltsin was not informed of the Navy's dumping plans and that the timing was coincidental. He also said he personally opposes the dumping of such waste into the ocean and added that the private sector might be able to contribute to a solution to the problem.

Hata said Japan can cooperate with Russia within the framework of the 100 million dollar aid package it has pledged to Moscow, by helping build nuclear waste storage facilities, making peaceful use of dismantled nuclear waste, disposal of liquefied fuel from missiles, and preventing environmental pollution.

Mikhaylov said Monday that Tokyo Electric Power Co. releases 10 times more radioactivity every year into the Sea of Japan than was dumped by the Russian Navy this month. The officials said he did not mention the matter in his meeting with Hata. They also said the Foreign Ministry has so far not received any inquiries from the South Korean Government on the matter, as reported.

Minister on Ceasing Waste Dumping

OW2610121593 Tokyo KYODO in English 1150 GMT
26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—Russian Atomic Energy Minister V.N. Mikhaylov said Tuesday [26 October] he believes Russia will not dump any more nuclear waste in the Sea of Japan.

Mikhaylov, noting the location and timing of the dumping, told reporters it was regrettable that the Russian Navy poured 900 tons of liquid radioactive waste in the Sea of Japan on October 17. The location was about 550 kilometers west of Hokkaido, Japan's northernmost main island.

The dumping came within days of Russian President Boris Yeltsin's first state visit to Japan. Moscow has suspended a planned second dumping after receiving strong protests from Japan and South Korea.

The Russian minister also said he supports a total ban on dumping of low-level radioactive waste in the ocean, if other countries strictly observe the prohibition. The ban will be on the agenda of a meeting next month of signatory nations to the 1972 London Convention on the Prevention of Marine Pollution by Dumping Waste and Matters.

Mikhaylov said the dumping will not pollute the environment, saying earlier that the radiation measured 37 billion becquerels. He said that is less than natural radioactive levels. He criticized the Japanese media for reporting the dumping with a political slant.

Mikhaylov was unable to answer when asked why the Navy did not dump the waste near the Russian coast if it was safe. The Russian minister said the Navy apparently considered conditions like the depth of the water to decide a location for dumping.

Mikhaylov said management of Russia's nuclear waste including its disposal will be transferred from the Navy to the Atomic Energy Ministry. He repeated his request for Japan and other countries to buy highly enriched uranium removed from scrapped Russian nuclear weapons to finance the building of facilities to dispose of nuclear waste.

Earlier Tuesday, Mikhaylov met Foreign Minister Tsumoto Hata and proposed that Japan purchase 100 million dollars worth of highly enriched uranium each year until 2013, according to ministry officials.

Mikhaylov has been in Japan to discuss the dumping issue.

Nuclear Agency Chief on Burning Out Plutonium

OW2510143893 Tokyo KYODO in English 1423 GMT
25 Oct 93

[Text] Tokyo, Oct. 25 KYODO—The head of Japan's Nuclear Energy Development Agency said Monday [25 October] that Japan needs to promote research on burning out plutonium, thus changing the current policy aimed only at producing the nuclear material. Takao Ishiwatari, president of the Power Reactor and Nuclear Fuel Development Corp. (Donen), made the remarks at a lecture meeting sponsored by the state-run nuclear corporation.

Ishiwatari said that the problem of surplus plutonium, which is extracted as a result of dismantling nuclear weapons, has cast a dark shadow on the peaceful use of plutonium. Noting that the United States and France are tackling research aimed at developing technology to burn out plutonium as part of their efforts to prevent nuclear proliferation, Ishiwatari said Japan should deal with the global problem flexibly.

"Japan is proceeding with a study on plutonium-fueled breeder reactors to ensure domestically produced energy. But with a situation in which plutonium is in surplus, this cannot be accepted by foreign countries," Ishiwatari said. "France is moving toward disposing of plutonium. Donen wants to follow suit."

The Japan Atomic Energy Research Institute is currently developing technology to completely burn out plutonium extracted from dismantling nuclear weapons by using it as fuel, officials said.

Donen is in charge of extracting plutonium and developing plutonium-fueled fast breeder reactors for commercial use.

At present, some 30 percent of Japan's electricity is generated by 42 nuclear reactors throughout the country.

According to Japan's energy plan, by 2010 the country will be annually using some 50 tons of plutonium mixed with uranium for light-water reactors and about 35 tons more for fast breeder reactors.

Early this month, the Science and Technology Agency said Japan has stored 1,600 kilograms of plutonium in Japan and 2,900 kilograms overseas. The agency described the 1,600 kilograms as "not excessive" in view of the nation's policy of holding no more than is required for the nuclear power industry's immediate needs.

ROK Envoy, SDP Chairman Discuss Rice Issue

SK2210035693 Seoul YONHAP in English 0208 GMT
22 Oct 93

[Text] Tokyo, Oct. 22 (YONHAP)—South Korean Ambassador Kong No-myong and Social Democratic Party [SDP] Chairman Tomiichi Murayama agreed in talks Thursday afternoon at the Japanese party's headquarters that Seoul and Tokyo should keep their rice markets closed.

"Korea's rejection of an open rice market was President Kim Yong-sam's election pledge," Kong told Murayama. "We know the importance of rice security by experience from the poor harvest in 1980."

Murayama said he agreed and proposed a joint measure.

"There was a report that North Korea wants to import 1 million tons of rice from South Korea due to the poor harvest there, but the unresolved nuclear issue remains a stumbling block," Kong said. "North Korea must accept inspection by the International Atomic Energy Agency to clear up the nuclear suspicion."

It is the first time that a South Korean ambassador has visited the SDP headquarters.

Paris Mayor Voices Doubts on Uruguay Round

OW2610113793 Tokyo KYODO in English 1101 GMT
26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—Paris Mayor Jacques Chirac voiced doubt Tuesday [26 October] about the Uruguay Round of multilateral trade negotiations being completed by the December 15 deadline.

The former French premier made the remark in a meeting with Prime Minister Morihiro Hosokawa at the Japanese leader's official residence.

He attributed the difficulty in bringing the deadlocked world trade talks to a successful conclusion to a lingering dispute on farm trade between the United States and the European Community (EC), a Japanese Foreign Ministry official said.

The seven-year-old trade talks being held under the General Agreement on Tariffs and Trade (GATT) must be completed by December 15 and GATT Director General Peter Sutherland has given major trading

nations until November 15 to come up with final offers on how their markets can be opened.

During the 40-minute meeting, Hosokawa reportedly said he harbors a great interest in how the negotiations between the U.S. and the EC are conducted.

Chirac and Hosokawa agreed on the need to strengthen ties between the EC and Japan, the official said. The two also agreed that North Korea's suspected nuclear weapons development poses a global threat, the official said.

Questioned about the recent visit by Russian President Boris Yeltsin, Hosokawa was quoted as saying he got on well with the state guest from Moscow in their first meeting.

Chirac served as French premier twice, from 1974 to 1976 and again from 1986 to 1988.

EC Team Begins Inspection of Scallop Processing

OW2510050393 Tokyo KYODO in English 0441 GMT
25 Oct 93

[Text] Aomori, Oct. 25 KYODO—Experts from the European Community arrived here Monday [25 October] to inspect the scallop industry whose imports into the EC were banned last year because of higher than permitted traces of toxins. The on-the-spot inspection could lead to compliance with a Japanese request for a lifting of the ban.

Henri Belvez, an EC quarantine official who heads the team of experts, said Japanese Government representatives at recent talks have explained that the Japanese system for inspecting the scallops is now virtually the same as in the EC. He said the Japanese side is urging a resumption of the imports by the end of 1993.

Officials at the Fisheries Agency say the team will be able to satisfy themselves that under the present system no scallops which fail to meet EC standards can be shipped overseas.

The team will visit the Association of Fishing Cooperatives in Aomori Prefecture, scallop cultivation areas in Mutsu Bay, in the north of the prefecture, as well as facilities for processing frozen scallops. They will go to Hokkaido on Tuesday, and on Thursday, after visiting the Sendai branch of the Japan Frozen Foods Inspection Corp., they will go to Tokyo for talks with officials from the agency and the Health and Welfare Ministry.

Former Kuwaiti Foreign Minister Visits Hiroshima

OW2210111893 Tokyo KYODO in English 1035 GMT
22 Oct 93

[Text] Hiroshima, Oct. 22 KYODO—A former Kuwaiti foreign minister visited Hiroshima on Friday [22 October] as part of his efforts to ask Japan to support the

Mideast nation's demand for Iraq to release Kuwaiti prisoners who were said to be captured during the Gulf war in 1991.

Shaikh Salem al-Sabah [name as received], chairman of a Kuwaiti Government Committee on Soldiers Missing in Action and Prisoners of War, met Hiroshima Mayor Takashi Hiraoka and thanked him for Japan's contribution that helped bring the war to a halt, city officials said. He was quoted as telling Hiraoka that Hiroshima, which suffered from atomic bombing by the United States in 1945, will understand the "sorrows" of Kuwaitis.

Hiraoka said he hopes Kuwait will speedily recover from the war damage and that prisoners will come home safe, according to the officials.

The former minister viewed the museum on the atomic bombing and presented flowers at the monument to commemorate atomic bomb victims. He is scheduled to leave Japan next Thursday after meeting Prime Minister Morihiro Hosokawa and Crown Prince Naruhito.

Asks for Help With POW's in Iraq

OW2510105593 Tokyo KYODO in English 1031 GMT
25 Oct 93

[Text] Tokyo, Oct. 25 KYODO—Former Kuwaiti Vice Premier and Foreign Minister Salim al-Sabah on Monday [25 October] asked Japan to continue pressing Iraq for the return of Kuwaitis held captive since the 1991 Persian Gulf war, a Foreign Ministry official said. Al-Sabah, chairman of a Kuwait Government committee on soldiers missing in action and prisoners of war (POWs), made the request when he met with Prime Minister Morihiro Hosokawa at his official residence for about 30 minutes.

Kuwait says Baghdad is holding captive 627 Kuwaitis.

Al-Sabah, who arrived in Japan on Thursday for a weeklong stay, was quoted as saying the Kuwaiti POWs range from the ages of 15 to 80 and most are students.

Noting the detainment is a serious problem, Hosokawa reportedly said Tokyo sees it as natural to take every opportunity to persuade Baghdad to release the POWs.

Salim al-Sabah thanked Japan for its support of the U.S.-led multinational forces that drove Iraqi troops out of Kuwait in the war, the official said. He also pressed the POW issue in a meeting earlier Monday with Foreign Minister Tsutomu Hata.

Portuguese President Soares Continues Visit

Visits Matsushita Electric Firm

OW2210111193 Tokyo KYODO in English 1032 GMT
22 Oct 93

[Text] Osaka, Oct. 22 KYODO—Portuguese President Mario Soares on Friday [22 October] took a firsthand look at high technology products at Matsushita Electric

Industrial Co. Soares, accompanied by his entourage, visited the technology hall where state-of-the-art audio-visual products and computer equipment are displayed.

Matsushita is the world's leading manufacturer of consumer electric and electronic equipment.

Soares told welcoming officials that Matsushita products are well known in Portugal and that he came to see products of advanced technology. He showed particular interest in optical disk technology, company officials said.

Soares arrived in Japan Monday for a weeklong goodwill visit. He is due to leave for home Monday.

Visits City of Oita 23 Oct

OW2310033293 Tokyo KYODO in English 0232 GMT
23 Oct 93

[Text] Oita, Oct. 23 KYODO—Portuguese President Mario Soares arrived in this southwestern Japan city Saturday [23 October] to honor a 16th century Christian daimyo, or Japanese feudal baron, who allowed many Portuguese missionaries to propagate Christianity. Sorin Otomo (1530-1587), baptized in 1578, promoted cultural and trade exchanges with Portugal in his fiefs.

The visit was also a response to a project to build a museum in Usuki, Oita Prefecture, to commemorate the feudal age relations between Japan and the Iberia peninsula.

Soares arrived in Tokyo on Monday for a 10-day visit to mark the 450th anniversary of the arrival of three Portuguese castaways who in 1543 became the first Europeans to land in Japan. After official schedules in Tokyo to meet Prime Minister Morihiro Hosokawa and Emperor Akihito, Soares has been visiting Japanese cities and towns historically connected with Portugal.

On Thursday, he went to Tokushima to lay flowers on the grave of a Portuguese writer who died there in 1929. Soares will leave Oita for Nagasaki on Sunday and then on Monday visit Tanegashima Island, Kagoshima Prefecture, where the Portuguese castaways arrived.

Loan to Kenya for Export Promotion Announced

OW2610080893 Tokyo KYODO in English 0737 GMT
26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—Japan will loan Kenya 8.2 billion yen to support the African nation's export promotion plan carried out under the instruction of the World Bank, the Foreign Ministry said Tuesday [26 October].

Japan will provide the loan to settle imports during implementation of the export promotion plan, which is aimed at reforming Kenya's export structure, the ministry said.

The plan aims at reforming Kenya's tax systems to remove restrictions for exports, improving the export infrastructure and extending technical cooperation to those in the export business. The loan's interest is 2.6 percent and the term of redemption is 30 years.

The latest loan brought the total amount of Japan's loans to Kenya to 146.4 billion yen.

Empress Michiko Still Unable To Speak 26 Oct

OW2610112493 Tokyo KYODO in English 1048 GMT
26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—Empress Michiko spent Tuesday [26 October] resting but still unable to speak a week after she collapsed on her 59th birthday. Imperial Household Agency officials said.

The empress saw her daughter, Princess Nori, leave for athletics meetings in Tokushima and Kagawa Prefectures on Shikoku Island and took lunch with Prince Akishino, her son, and his wife Princess Kiko.

The empress has been resting at the Akasaka Imperial Palace this past week and has seen no one from outside, the officials said.

Emperor Akihito went to the national athletics meetings Saturday, while she relaxed by walking inside the palace grounds and playing the harp, they said.

Court physicians who examined her said the inability to speak could be due to a temporary disorder arising from "strong feelings of distress." They did not cite a possible cause of the distress.

On Thursday and Friday last week, court physicians gave the empress a full medical checkup but detected no "organic changes" in her brain.

In a related development, the agency refuted recent articles in the weekly magazines "Takarajima 30" and "Shukan Bunshun," saying their stories on the imperial family were based on misconceptions.

Vice grand steward of the Imperial Household Iwao Miyao said the agency already has lodged a protest against "Shukan Bunshun" and is considering doing the same with the other.

The magazines broke a media taboo of criticizing Japanese royalty and targeted the empress in particular for allegedly dominating palace affairs.

In answers to questions submitted by journalists and released by the agency just before her birthday, the empress said, "I feel deep sorrow and bewilderment toward (the) reports, which are not true."

"I would be happy if, in the case of a number of example cases, the parties concerned would be allowed to explain matters so that the public understand the circumstances," she said.

Ward Chief Arrested for Suspected Vote Buying

OW2510133593 Tokyo KYODO in English 1314 GMT
25 Oct 93

[Excerpts] Tokyo, Oct. 25 KYODO—Police arrested a Tokyo ward mayor and his two secretaries Monday [25 October] on suspicion of vote buying in a bid to win an election in September last year. Police said Harumi Deguchi, 44, mayor of Katsushika Ward, and his secretaries Kazuo Asakusa, 53, and Kiyoshi Kuronuma, 33, allegedly gave more than 10 supporters coupons worth 200,000 yen each to buy clothes and rolls of cloth.

Deguchi admitted the allegations, saying his secretaries handed over the coupons to supporters, including ward assembly members, after the election as a token of gratitude for their backing in the election, investigative sources said. Their acts violate the Public Office Election Law, which prohibits politicians from offering money and gifts to voters. [passage omitted]

Deguchi was elected mayor of the ward, one of the 23 wards in inner Tokyo, on September 6, 1992, in a close contest with two conservative contenders. Before assuming the post, he was a member of the Tokyo metropolitan assembly for two consecutive terms and a member of the Katsushika Ward assembly for three consecutive terms.

Police Begin Questioning Deguchi

OW2510094493 Tokyo KYODO in English 0900 GMT
25 Oct 93

[Text] Tokyo, Oct. 25 KYODO—Police Monday [25 October] began questioning the mayor of a Tokyo ward on suspicion of vote buying, sources close to police said. Haruo Deguchi, 44, mayor of the Katsushika Ward, has reportedly admitted to giving more than 10 supporters coupons worth 200,000 yen each to buy clothes and rolls of cloth for making men's suits, which could contravene the public election law, they said.

Police are also investigating his admission that he accepted a secret donation of 10 million yen from a general contractor, informed sources said. He has insisted that he did not use the money for the election campaign, they said.

Election workers for Deguchi may have given the presents to the supporters to thank them for their votes and for collecting votes for him when he beat two rivals to win the post for the first time in an election in September last year, the sources said.

Deguchi dissolved the ward assembly shortly after it passed a no-confidence motion against him September 21. But all 38 assembly members who voted against him were returned in the ensuing election Sunday and Deguchi is likely to lose the post soon, assembly sources said.

Ministry To Add Conditions to TV Asahi Licence

OW2610035993 Tokyo KYODO in English 0319 GMT
26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—The Posts and Telecommunications Ministry will conditionally approve a renewed broadcasting licence for TV Asahi, whose news bureau chief's controversial remarks inspired charges of bias in coverage of the July general election. Posts and Telecommunications Minister Takenori Kanzaki said Tuesday [26 October].

Kanzaki told a press conference that he will submit the matter to the Radio Regulatory Council, which would then make a recommendation based on its deliberations. The five-year licence of Asahi National Broadcasting Co. expires on November 1.

On Monday, Sadayoshi Tsubaki, former executive and news bureau chief of TV Asahi, testified as a sworn witness at the Diet and denied ordering his network journalists to produce news programs that would help oust the Liberal Democratic Party from power in the July general election. He denied the broadcasting was slanted to help specific groups or people win in the election.

Tsubaki said at a meeting of the National Association of Commercial Broadcasters in Japan on September 21 that he had told his staff, "we should by all means block the continuation of LDP rule. Anything is OK, so shouldn't we report in such a way that helps put in place a non-LDP coalition government?" Tsubaki added, "of course this wasn't an order."

Kanzaki said the question of a licence renewal would be examined by the council on Tuesday along with matters relating to several other private sector broadcasting licences. He indicated that the licence could be renewed "under certain conditions."

The condition is that ministry's examination would cover the question of whether there had been an infringement of the law "once the facts are known," a ministry official said.

More Prefectures Bar Kajima From Works Projects

OW2610102693 Tokyo KYODO in English 0956 GMT
26 Oct 93

[Text] Fukui, Oct. 26 KYODO—Kajima Corp., Japan's leading construction company whose vice president was suspected for being involved in a payoff scandal, will be barred beginning Tuesday [26 October] from bidding on public works projects in Fukui Prefecture, central Japan, officials said.

Prefectural officials said they will suspend designating Kajima as a contractor for the region's public works projects until January 25.

Ishikawa Prefecture, just north of Fukui, announced it will also suspend Kajima for three months, beginning Wednesday.

Prosecutors on Tuesday arrested a Kajima vice president, Shinji Kiyoyama, 67, for allegedly giving 20 million yen as a bribe to former Ibaraki Gov. Fujio Takeuchi late last year.

In a related development, Kajima withdrew from a joint venture that has been building an industrial exchange center in Miyagi Prefecture, northern Japan, since the company's senior officials were arrested for an alleged bribe case.

The five-constructor joint venture, including Kajima, has been involved in the project worth 5.8 billion yen in Sendai, Miyagi, since September after it made a successful bid in August. The head of Kajima's Sendai office and the deputy chief of its Tohoku branch were arrested last week on suspicion of giving a 10 million yen bribe to former Sendai Mayor Toru Ishii.

Kajima Vice President Kiyoyama Arrested

*OW2610032593 Tokyo KYODO in English 0255 GMT
26 Oct 93*

[Text] Tokyo, Oct. 26 KYODO—Prosecutors arrested a vice president of leading contractor Kajima Corp. on Tuesday [26 October] for allegedly giving a 20 million yen bribe to the then governor of Ibaraki Prefecture, prosecution officials said.

The special investigation squad of the Tokyo District Public Prosecutors Office summoned Kajima Corp. Vice President Shinji Kiyoyama, 67, for questioning over the secret donation to then Ibaraki Governor Fujio Takeuchi in late December and arrested him. The prosecutors also rearrested Takeuchi.

Prosecutors regard the donation as a bribe because Kajima was seeking to secure orders for public works projects of the prefecture, the officials said.

Takeuchi has admitted receiving the money, they said.

In a recent interview with KYODO NEWS SERVICE, Kiyoyama admitted he had met Takeuchi but denied giving him any money.

Kiyoyama, who joined Kajima in 1947 and became vice president of the construction giant in 1985, is the chief of the company's profitable Civil Engineering Bureau. He is said to be the right-hand man of Rokuro Ishikawa, the Kajima chairman, who served as head of the Japan Chamber of Commerce and Industry until July.

Takeuchi, 75, resigned as Ibaraki Governor after he was arrested in July on suspicion of receiving 55 million yen in bribes from Hazama Corp., another major contractor. In August, he was indicted on a charge of taking the bribe from Hazama.

The former governor was indicted again on October 11 on a charge of taking a 10 million yen bribe from Shimizu Corp., another major contractor, late last year.

Since June, more than 20 people have been arrested in a series of money scandals involving major construction companies.

More on Vice President's Arrest

*OW2610074693 Tokyo KYODO in English 0720 GMT
26 Oct 93*

[Text] Tokyo, Oct. 26 KYODO—Prosecutors arrested a senior vice president of leading contractor Kajima Corp. on Tuesday [26 October] for allegedly giving a 20 million yen bribe last December to the then governor of Ibaraki Prefecture, prosecution officials said.

The Tokyo District Public Prosecutors' Office summoned Kajima Corp. Vice President Shinji Kiyoyama, 67, for questioning over the secret donation to then Ibaraki Governor Fujio Takeuchi earlier in the day and then arrested him.

Kiyoyama, dubbed Kajima's "chief in charge of the political community" by industry circles, has been responsible for dispensing more than 1 billion yen annually out of the firm's slush fund to politicians, sources close to the prosecution said.

In response to the arrest, Prime Minister Morihiro Hosokawa said he wanted the prosecutors "to uncover all the corruption." He said the repeated briberies and bid riggings raised questions about both the ethical awareness of politicians and business executives and the structure of the allegedly exclusive bidding system.

Earlier this year, Kiyoyama underwent questioning by prosecutors in connection with the March 6 arrest of former Liberal Democratic Party Vice President Shin Kanemaru, who allegedly amassed a huge personal fortune from contractors' political donations.

The prosecutors also rearrested Takeuchi on Tuesday morning, already in custody on separate bribery charges involving other major contractors such as Hazama Corp. and Shimizu Corp. Prosecutors regard the donation as a bribe because Kajima was seeking to secure orders for such prefectoral public works projects as a 38 billion yen project to build a dam and a 22 billion yen project to build a medical university, the officials said.

Takeuchi has admitted receiving the money, they said.

The special investigative squad of the Tokyo Prosecutors' Office raided the home of Kiyoyama in a Tokyo suburb, the head office of Kajima and other related places for evidence.

The officials said Takeuchi instructed senior prefectoral bureaucrats to put Kajima on a list of contractors qualified to join the university project shortly after the acceptance of the donation.

In connection with Kajima's quest for the dam project, the officials said that Takeuchi told another bureaucrat, "Kajima is enthusiastic, keep its name in your memory." They said Kiyoyama gave the bribe to Takeuchi on December 22, 1992, at the Todofukan Hall in Tokyo's Chiyoda Ward, where he had an appointment with the governor.

Shortly after that meeting, Kajima was selected as one of the corporate winners of the two projects, though the prefectural government has not yet announced Kajima's selection publicly, industry sources said.

A few days later Takeuchi visited the Tokyo head office of the Industrial Bank of Japan, to purchase an additional 19 million yen worth of "wariko" discount bank debentures, an investment tool that does not require registration.

In a recent interview with KYODO NEWS SERVICE, Kiyoyama admitted he had met Takeuchi, but denied giving him any money.

Kiyoyama told KYODO, "Kajima can win contracts due to its high technological level even without handing over money. As I am the national coordinator, I deal with politicians.

"I have kept relations with politicians of major forces. The relations are kept by giving annual midsummer and year-end gifts," he said. "It is the duty of local branch offices to deal with prefectural governors. They ask for contracts as their natural business."

Kiyoyama, who joined Kajima in 1947 and became vice president of the construction giant in 1985, is the chief of the company's profitable Civil Engineering Bureau. He is said to be the right-hand man of Rokuro Ishikawa, the Kajima chairman, who served as head of the Japan Chamber of Commerce and Industry until July.

Kiyoyama used to serve as the chairman of "Keiei Konwa-Kai," a recently disbanded group of top executives of leading construction firms regarded as the forum for rigging bids for large national projects.

The group recently disbanded after allegedly rampant bid-rigging practices drew ire from the U.S. at the Structural Impediments Initiative (SII) Talks between Japan and the U.S. The practices were criticized for shutting out U.S. contractors.

Takeuchi, 75, resigned as Ibaraki governor after he was arrested in July on suspicion of receiving 55 million yen in bribes from Hazama Corp. In August, he was indicted on a charge of taking the bribe from Hazama.

The former governor was indicted again on October 11 on a charge of taking a 10 million yen bribe from Shimizu Corp. late last year.

Since June, more than 20 people have been arrested in a series of money scandals involving major construction companies.

Later Tuesday [26 October], Kajima Corp. President Akira Miyazaki apologized for Kiyoyama's arrest at a press conference held at the Construction Ministry. Miyazaki, however, said he does not believe the vice president gave a 20 million yen bribe to Takeuchi, a former governor of Ibaraki Prefecture.

The president will consider how he will take responsibility for the scandal, pending developments in the case, he said.

Budget Cut for Noise Control Near Bases Sought

OW2310062793 Tokyo KYODO in English 0618 GMT
23 Oct 93

[Text] Tokyo, Oct. 23 KYODO—The Ministry of Finance hopes to halve appropriations for noise pollution control around U.S. and Japanese military bases in fiscal 1994, starting April 1, officials said Saturday [23 October]. The Defense Agency earmarked 162.6 billion yen in the current fiscal year for work to control noise pollution caused by military aircraft and other amenity programs for nearby residents.

The officials said the ministry now hopes to halve the appropriation next year, considering the initial round of necessary work has now been completed.

The ministry will start negotiations with the Defense Agency on the matter since it will be difficult to drastically cut other defense-related expenditures, such as acquisition of materiel and equipment as well as salaries for personnel, the officials said.

Service Industry Increases Economic Output

OW2510094393 Tokyo KYODO in English 0923 GMT
25 Oct 93

[Text] Tokyo, Oct. 25 KYODO—The service industry is increasingly accounting for Japan's economic output instead of the manufacturing sector, its traditional powerhouse, a government report showed Monday [25 October].

The input-output table, or so-called Leontief Table, for 1990 released by the Management and Coordination Agency showed that in 1990, the service sector accounted for 48.7 percent of domestic economic output, up from 47.1 percent in 1985. In contrast, the role of manufacturers plunged below the 50 percent line for the first time in 1990 to 49.2 percent.

Analysts say the figures support some doubts in the industrial sector about the efficacy of the government's pump-priming packages, which are focused on boosting investment in public works like road-building and improving the sewage system.

The latest research showed that the expected increase in output in the manufacturing sector that would come from 1 trillion yen of public works spending plummeted by 5.2 percent from 1985 to 2.03 trillion yen. The lower

production boosting effect on cement and steel production was prominent, officials said.

The report also found that the propagating effect of 1 trillion yen of personal spending had decreased 3.7 percent to 1.65 trillion yen.

Officials said Japan's economy is increasingly relying on activities in the service sector, reducing the influence of manufacturers.

Saito on Current Fiscal Year Economic Recovery

OW2510103793 Tokyo KYODO in English 0954 GMT
25 Oct 93

[Text] Tokyo, Oct. 25 KYODO—Vice Finance Minister Jiro Saito on Monday [25 October] reiterated his ministry's belief that there will be an economic recovery in the current fiscal year.

Saito, speaking at a regular press meeting, also ruled out any chance for an income tax cut before raising a consumption tax. He said he remains "confident" that the government's latest fiscal and monetary measures will help the economy "gradually turn upward."

A quarterly economic report released Friday by the Bank of Japan said the nation's economy is indeed in a "stage to solidify its bottom."

Meanwhile, he rejected an interpretation of the central bank's report that indicated a slow economic recovery, and brushed aside a BOJ official's description of the report as "not official written" view.

The BOJ official said his personal view is that an economic recovery could be delayed until some time after next spring.

Considering continued sluggish consumption, as indicated in retail sales and auto production released earlier Monday, Saito admitted that there are "no clear signs" for an overall recovery. But he said there also is still no indicators pointing to an economic fallback. He added that not all components of the economy are bad, citing buoyant housing and public works spending.

Referring to reports over the weekend that Chief Cabinet Secretary Masanori Takemura indicated cutting income taxes about two years ahead of a consumption tax hike, Saito said the news lacks clarity.

The tax issue is now under discussion at the tax commission, a governmental advisory panel. "I haven't heard of any such arguments" at the commission, Saito said.

EPA Chief Says Economy Remains Stagnant

OW2510111893 Tokyo KYODO in English 0957 GMT
25 Oct 93

[Text] Osaka, Oct. 25 KYODO—Economic Planning Agency [EPA] Chief Manae Kubota said Monday [25

October] the economy continues to be stagnant, with moves toward recovery at a standstill.

Speaking at a press conference in Osaka, Kubota, director general of the agency, said she could not specify when it would recover, but hoped the situation will start improving by next spring.

Panel: Ministries 'Failing' in Budget Efforts

OW2610090093 Tokyo KYODO in English 0819 GMT
26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—A government panel Tuesday [26 October] accused ministries of failing to cooperate in efforts to cut their budget requests for public works projects. It summoned officials of the Construction, Transport and Agriculture Ministries to a meeting to review allocations for such projects, but felt they "sounded defensive" about cooperating in efforts to make the system less rigid, a Finance Ministry official told a news conference.

The summoned officials instead sought to justify the current ratios of outlays allocated to each ministry, he said. "They appear to lack a sense of cooperation," he quoted the panel as saying.

The panel, set up by the Fiscal System Council, is looking at ways to ensure fairness and transparency in budgetary allocations for public projects under Prime Minister Morihiro Hosokawa's policy of improving living standards.

It will present a framework on November 26 for new criteria for budgetary allocations for public projects that is expected to set priorities for each ministry.

The share of the budget allocated to each of the three ministries has been virtually unchanged for several years, apparently reflecting strong resistance from the ministries, which seek to maintain their vested interests.

Panel Chief Views Income Tax Cut Consensus

OW2610113293 Tokyo KYODO in English 1015 GMT
26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—A government advisory panel on tax reform foresees no problem in cutting income taxes before raising the consumption tax. Kan Kato, head of a special committee now discussing tax reform, said Tuesday [26 October]. "Income taxes can be cut in advance as part of an overall tax reform aimed at meeting the aging society," Kato said at a press conference after the 11th committee session under the Tax Commission.

This is the first time Kato acknowledged such consensus among committee members. But he said the committee has yet to decide on its interim report to be submitted November 16, thus denying a spate of news reports that the committee has agreed on a 5 trillion yen cut in

income and residence taxes, and a rise in the consumption tax to 7 percent from current 3 percent.

"Only tax reform focused on social welfare would meet the economic slump," he noted, while saying the slack economy merely served as a "trigger" to clarify the need for tax breaks.

Referring to Prime Minister Morihiro Hosokawa's policy of implementing tax reform only under a "set of laws," Kato said the issue tends to be focused on how to fund any tax cuts such as by issuing deficit-covering bonds.

But Kato, who is also chairman of the commission, said the panel believes the set of laws combines all aspects of welfare-oriented tax reform, implying that an income tax cut could be covered by a later consumption tax hike.

Asked about the timing of the tax cut, Kato said, "it's for politicians to decide." Noting that some committee members called for the tax cut by the year-end, Kato said the panel must work under a tight schedule to decide by mid-December and will do so only if asked by politicians.

Kato also rejected reports Tuesday that the panel is considering adopting a "zero" tax on low-income earners to avoid raising the minimum taxable income level. "We haven't even discussed such an idea at all."

Noting that random opinions on income taxes were just spelled out at the session, Kato said the committee will hold another session on income taxes next week to make decisions based on proposals put forward by Finance Ministry officials.

The committee plans to meet six times in November and December to discuss details on proposed reforms of the system for ranking foreign contractors, according to Construction Ministry sources.

The committee is expected to make recommendations to Construction Minister Kozo Igarashi sometime in mid-December, they said.

Mazda To Give Extra Days Off to 25,000 Workers

OW2610043293 Tokyo KYODO in English 0402 GMT
26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—Mazda Motor Corp. will give two extra days off with pay to almost all of its workers in November to reduce production in the face of a serious auto sales slump, a company spokesman said Tuesday [26 October]. The first such company-wide measure to be taken by a Japanese automaker will affect 25,000 workers.

The spokesman said extra days off will be given on November 22 and 29 to all office personnel in Tokyo and Hiroshima Prefecture and all production workers in Yamaguchi Prefecture.

The measure, however, will not apply to about 5,000 workers—those on loan to Mazda affiliates and the company's hospital and maintenance staff.

Mazda will soon apply to the government for subsidies for "employment adjustment" in connection with the plan, the spokesman said.

The Mazda Labor Union said it will approve the measure in a meeting to be held on November 8.

The government last May announced a decision to make Japanese automakers and auto parts makers eligible for the subsidies.

No automaker has so far applied for the subsidies, although some small parts makers have done so. The subsidy system was set up in 1975 to help companies pay for the cost of employment adjustment.

Auto sales in Japan and overseas have been slumping and Japan's auto production is expected to fall to the 1984 level of 11.40 million vehicles this year, industry officials said.

Social Security Payments Increase Reported

OW2310090393 Tokyo KYODO in English 0807 GMT
23 Oct 93

[Text] Tokyo, Oct. 23 KYODO—Social security payments in fiscal 1991 exceeded 50 trillion yen for the first time, an institute affiliated with the Health and Welfare Ministry said Saturday [23 October].

The Institute of Social Security said social security payments, including pension, medical insurance, and welfare benefits, totaled 50,092.2 billion yen, up 6.3 percent over the previous year.

The rate of increase outstripped the rate of increase in the national income—4.7 percent in fiscal 1991—for the first time since 1987.

Social security payouts totaled 14 percent of the national income, slightly up from the previous year, possibly due to a drop in the growth rate of the national income due to the economic downturn.

The payouts were equivalent to 44,000 yen per person, up 5.9 percent from the previous year. It was the largest increase since a 7.7 percent increase in 1986. Of the total, the payments for old age pensions and other coverage for the elderly amounted to 30,232.8 billion yen, an increase of 7.6 percent over the previous year.

It was the first time for the amount in this category to reach the 30 trillion bracket, giving the category a record 60.4 percent of the overall total.

Pensions accounted for 25,832.7 billion yen, up 6.5 percent to form 51.6 percent of the total, and payouts for medical coverage accounted for 19,325.4 billion yen, up 6.1 percent, to form 38.6 percent of the total. The

remaining sum went to other welfare payments, including child care and unemployment benefits.

MITI To Ease Safety Regulations on Appliances

OW2610112593 Tokyo KYODO in English 1019 GMT
26 Oct 93

[Text] Tokyo, Oct. 26 KYODO—Japan's Trade Ministry said Tuesday [26 October] it will ease its regulations on the safety of electrical appliances. Officials of the Ministry of International Trade and Industry (MITI) said the decision was reached because of the likelihood of product liability being introduced soon.

The product liability system is designed to protect consumers from flawed products and it will be sufficient to prevent defective products, thus replacing the existing government controls, the officials said.

At the moment, makers of almost all home electric appliances, and electric wires and cords are required to meet government-imposed safety standards under the Electrical Appliance and Material Control Law. But rapid technological advances have made such inspections unnecessary. Japan has come under foreign pressure for maintaining rigid rules that act as nontariff barriers to imported goods.

Against this background, the ministry decided to revise the law to sharply increase the number of products which makers are allowed to check at their discretion.

A revised law will be submitted to the next ordinary Diet session next year, synchronizing the planned presentation of a bill to enact the product liability system, informed sources said.

North Korea

Statement on South's 'Hindrance' of Soccer Talks

SK2510114393 Pyongyang Korean Central
Broadcasting Network in Korean 0805 GMT 25 Oct 93

[Text] In connection with the fact that working-level talks for holding the Pyongyang-Seoul student soccer games could not be held because of the hindrance of the South side's authorities, our side's delegation gave a news conference today in Panmunjom and released the following statement:

A statement by the North side's delegation to working-level talks for holding the Pyongyang-Seoul student soccer games:

As has already been reported, working-level talks for discussing our Pyongyang students' participation in Pyongyang-Seoul student soccer games, proposed by the Seoul District Federation of General Student Councils [Sochongnyon], were scheduled to begin at 1300 today in Panmunjom.

In view of the fact that in a news conference, the fellow students of the Sochongnyon proposed that, unlike in the previous times, the soccer games be held as part of a purely civilian exchange, we have traveled the 500-ri road, thinking that the South Korean authorities have no pretext to prevent such games and expecting that they would allow the working-level talks, at least.

We waited for a long time past the promised time. As a result, we have no choice but to return sadly even without seeing the faces of the fellow students from the South whom we had looked forward to seeing.

The North side's delegation to the working-level talks for holding the Pyongyang-Seoul student soccer games calls the South Korean authorities' obstruction of a meeting with the fellow students from the South again an antidiologue, antireunification crime and sternly protests and denounces this in the name of all the students in Pyongyang.

The youth and students of Pyongyang and Seoul holding soccer games and holding working-level talks for discussing the games were intended to open a civilian dialogue between the North and South, consolidate a basis for great national unity, and further raise an ever-growing desire for reunification.

If the South Korean authorities truly had a will for independence, reunification, and great national unity, how could they commit the crime of blocking this righteous act by the new generation?

Are the students, who are making efforts to hold the games, so fearsome to the South Korean authorities?

Moreover, we cannot help cursing their two-faced act that they mercilessly trampled dialogue and contact between students even while participating in dialogue between the authorities at the same place and on the same day.

The situation will only reveal their wicked schemes—monopolizing North-South dialogue, lending the outside forces' power to maintain its power over dialogue, and using dialogue to fulfill their ambition of achieving reunification through absorption, which is impossible to be accomplished.

The hatred and anger of the students in the North and South have reached their culmination since the current South Korean authorities repeatedly and viciously undermined holding of contact and dialogue between students of the North and South even until the end of this year.

We are warning the South Korean authorities: The South Korean authorities must not make the miscalculation that they could justify their foreign dependent and separatist schemes with their shallow and foolish means, and act with discretion.

If the South Korean authorities continue to hinder the righteous advance of the students in the North and

South, ignoring our warning, they will be vanquished from the arena of history for good with their cloak of the civilian regime stripped.

It is the firm will of our youth and students in the North and South that multilateral and multifarious dialogue and contact will open ways for the great unity of the whole nation and the reunification of the fatherland.

All the youth and students in Pyongyang, together with the fellow students in Seoul, stand in the vanguard of 2 million students in the North and South in the united struggle to make the football—the symbol reflecting the will for independence, reunification, and great national unity—pull down the barrier of division and ply between the North and South without failure.

[Dated] October 25 1993, Panmunjom

Delegates Depart for Talks on Student Games

SK2510053293 Pyongyang KCNA in English 0503
GMT 25 Oct 93

[Text] Pyongyang, October 25 (KCNA)—Three delegates of the North side led by Hwang Ho-yong of the Pyongyang municipal Students Committee left here Sunday to participate in the working-level talks with the delegates of the Seoul district Federation of General Student Councils of South Korea to be held at the conference room of the Neutral Nations Supervisory Commission at 13:00 Monday for debate on the opening of Pyongyang-Seoul soccer games of students.

East Asian Games Association Delegates Arrive

SK2410101593 Pyongyang KCNA in English 0813
GMT 24 Oct 93

[Text] Pyongyang, October 24 (KCNA)—Delegations and delegates of Mongolia, Japan, China, Guam, Macao, Hong Kong and South Korea arrived in Pyongyang Saturday to participate in the 7th meeting of the East Asian Games Association.

Also arriving were a Finnish patent cooperation delegation headed by Martti Enajarvi, director general of the National Board of Patents and Registration of Finland, and secretary of the centre of the Cuban workers Joaquin Bernal Camero.

Commentary Calls Kim Yong-sam 'Warmonger'

SK2610101593 Pyongyang Korean Central
Broadcasting Network in Korean 1150 GMT 25 Oct 93

[Commentary by Chong Pong-kil: "The True Colors of the Civilian Warmonger Revealed Once Again"]

[Text] South Korean ruler Kim Yong-sam frequently finds fault with us and inspires confrontation. On 22 October, while receiving so-called reports of appointment from general-grade officers of the puppet armed

forces, he babbled about the North's nuclear development and stressed they should be strong enough to defend themselves from the threat from the North. This is the recurrence of the evil practice of the habitual fault-finding with others, and is an open agitation for war.

Who is responsible for the situation on the Korean peninsula which is drawing the world's attention as a dangerous region?

We have neither nuclear weapons nor the will to develop them. The innocence and transparency of the peaceful nuclear policy of our Republic have already been confirmed thoroughly.

The threat of nuclear war on the Korean peninsula comes only from the South. It is no secret that South Korea is the largest nuclear war powder magazine in the Far East with some 1,000 nuclear weapons of various types deployed. At that, it has been revealed that the South Korean rulers have accelerated their own development and armament of nuclear weapons and that such maneuvers have reached a very dangerous stage.

The South Korean ruling bunch has been conducting adventurous nuclear war exercises, including the Team Spirit joint military exercise, with foreign forces every year, posing a grave nuclear threat against us and leading the situation to the brink of war.

South Korea's present civilian ruling bunch conducted the Team Spirit nuclear war exercise—decided on by their predecessors—more viciously instead of revoking it. They also conducted provocative war exercises such as the Ulchi-93 and the Ulchi Focus Lens. They do not stop there. They are planning and preparing to conduct the Toksuri war exercise from around the end of October to early November.

Their raving about someone's threat is like a thief crying "Stop thief!" The South Korean ruler, shifting the blame onto us for the aggravating tension on the Korean peninsula and raving about the need for strength, schemed to justify their arms buildup and war preparations. In fact, the present South Korean ruling bunch, contrary to their publicity on their being a civilian government, is stepping up arms buildup, making the provocation of a war of northward invasion as a set course of action. The puppet armed forces restructuring plan which the South Korean Defense Ministry finalized and announced with approval of Kim Yong-sam envisions increasing 4,000 troops each for the Air Force and Navy and massively augmenting the war equipment, such as submarines, destroyers, anti-submarine patrol planes, F-16 fighter-bombers, offensive helicopters, and tanks over the five coming years under the pretext of restructuring the combat capability of the puppet armed forces into a system of balanced development of the Armed Forces' three services.

It is quite natural that the South Korean ruling bunch should be branded as civilian warmongers. Seeing them

frantically plotting to harm and strangle fellow countrymen with the help of foreign forces, we doubt whether they have sense and reason.

Kim Yong-sam, in a meeting with Japanese journalists on 20 October, said that if the North's nuclear issue is not ultimately resolved, international sanctions by such organizations as the United Nations will be inevitable. This explains clearly why the South Korean authorities are desperately avoiding responding to our principled demand that they suspend the nuclear war exercise against fellow countrymen and not seek international mutual assistance system in connection with the nuclear issue.

They are attempting to start a war against fellow countrymen in collusion with foreign forces, with disregard to the calamity fellow countrymen will suffer from it, seeking a confrontation line.

However, they should clearly know that the road of confrontation and war they dash along is the road to destruction for the civilian regime itself. The South Korean ruling bunch should learn a lesson from the tragic end which the previous nation-betraying South Korean rulers met with as a cat's paw for the foreign forces' anticommunist confrontation policy, and act with discretion.

Wreath Laid To Honor CPV Entry Into Korean War

SK2610052993 Pyongyang KCNA in English 1028
GMT 25 Oct 93

[Text] Pyongyang, October 25 (KCNA)—The Central Committee of the Workers' Party of Korea, the Central People's Committee of the DPRK and the Administration Council on October 25 laid a wreath at the friendship tower in Pyongyang on the occasion of the 43rd anniversary of the entry of the Chinese People's Volunteers (CPV) into the Korean War.

Present at the presentation ceremony were Choe Kwang, Politburo member of the WPK Central Committee and chief of the General Staff of the Korean People's Army, and other officials concerned and Chinese Ambassador to Korea Qiao Zonghuai.

A wreath in joint name of the WPK Central Committee, the Central People's Committee and the Administration Council of the DPRK was presented before the friendship tower.

Then, wreaths in the name of the Ministry of People's Armed Forces, the Ministry of Foreign Affairs, the Ministry of Public Security, the State External Economic Affairs Commission and the Ministry of Culture and Art, wreaths in joint name of the Committee for Cultural Relations with Foreign Countries and the Central Committee of the Korea-China Friendship Association and party and power, and administrative and economic

organs of Pyongyang were laid. Working people in the city presented bouquets of flowers before the tower.

The participants observed a moment's silence in memory of the CPV fallen fighters.

Today party and power, administrative and economic organs of Pyongyang municipality and Hyongjesan district and units of the Korean People's Army laid wreaths in the cemetery of fallen fighters of the CPV in Hyongjesan district.

The Chinese Embassy and the Central Committee of the Association of Chinese Residents in Korea also presented wreaths before the friendship tower and in the cemetery of CPV fallen fighters in Hyongjesan district today.

Wreaths were also laid in the cemeteries and monuments to the CPV fallen fighters in local areas.

Reception Marks PRC Participation in Korean War

SK2610052993 Pyongyang KCNA in English 0451
GMT 26 Oct 93

[Text] Pyongyang, October 26 (KCNA)—The Ministry of People's Armed Forces hosted a reception at the People's Palace of Culture Monday on the occasion of the 43rd anniversary of the entry of the Chinese People's Volunteers (CPV) into the Korean war.

Invited to the reception were Chinese Ambassador to Korea Qiao Zonghuai and his embassy officials, members of the delegation of the Chinese People's Volunteers to the Korean-Chinese side of the Military Armistice Commission and the Chinese visitors to Korea.

Present there were Choe Kwang, member of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK] and chief of the General Staff of the Korean People's Army [KPA]; Kang Hui-won, alternate member of the Political Bureau of the WPK Central Committee and vice-premier of the Administration Council; and officials concerned.

General of the KPA Chon Chae-son in his speech at the reception said that the fraternal Chinese people organized the volunteers with their fine sons and daughters and sent them to the Korean war under the banner of "resisting America and aiding Korea, safeguarding the home and defending the motherland." "This was a disinterested assistance of the Chinese people to the Korean people who were fighting against the U.S. imperialist aggression forces and a clear manifestation of the traditional Korea-China friendship which had been formed in the flames of the grim anti-Japanese revolutionary struggle," he stressed.

He said the Korean people and the officers and men of the People's Army wish the fraternal Chinese people and officers and men of the Chinese People's Liberation Army greater achievements in the struggle to reunify the

whole country according to the policy of "one country, two systems" by fulfilling the tasks set forth at the 14th National Congress of the Communist Party of China.

"The traditional Korea-China friendship is cherished in the hearts of the peoples and soldiers of the two countries, as it was provided and has been fostered by the great leader of the Korean people President Kim Il-song and supreme commander Comrade Kim Chong-il together with the Chinese leaders," he noted, and stressed: "The Korean people and officers and men of the People's Army will, in the future, too, value Korea-China friendship and make continued efforts to strengthen and develop it through generations."

Chinese Ambassador Qiao Zonghuai in his speech said that strengthening traditional China-Korea friendship is of great realistic significance today when the international situation is complex and changing fast and imperialism is still pursuing hegemonism and strong-arm policy.

Declaring that to consolidate and develop Sino-Korean friendship and cooperation is the established policy of China, he said the Chinese Party and Government will make all efforts for the conveyance of the friendly relations through generations in the future.

"The Chinese Party and Government have always expressed firm support to the reasonable proposals set forth by the party and government of Korea for the relaxation of the tension of the Korean peninsula, the independent and peaceful reunification of the country and denuclearization of the Korean peninsula," he added.

He expressed the belief that the Korean people will surely achieve a new, great success in the struggle for the cause of building Korean-style socialism and achieving national reunification under the leadership of Comrade President Kim Il-song and Comrade Kim Chong-il.

Egyptian Interior Ministry Delegation Arrives

SK2510230493 Pyongyang KCNA in English 1517
GMT 25 Oct 93

[Text] Pyongyang, October 25 (KCNA)—A small group of the Pyongyang circus left here today to participate in the fourth Wuqiao International Circus Festival to be held in China.

Arriving here today was a delegation of the Ministry of Interior of Egypt led by Vice-Minister Mohamed Imam Mohamed Afifi.

Premier Sends Message to Egyptian Counterpart

SK2410091293 Pyongyang KCNA in English 0804
GMT 24 Oct 93

[Text] Pyongyang, October 24 (KCNA)—Kang Song-san, premier of the Administration Council of the

DPRK, sent a message of greetings to 'Atif Sidqi upon his reappointment as prime minister of the Arab Republic of Egypt.

The message expressed the belief that the friendly and cooperative relations between the two countries would grow stronger and develop in the future and wished the prime minister great success in his responsible work for the development of the national economy.

Korean Foreign Minister Kim Yong-nam sent a message of greetings to 'Amr Muhammad Musa upon his reappointment as foreign minister of Egypt.

Japan-Korea Cultural Association Holds Meeting

SK2510052993 Pyongyang KCNA in English 0502
GMT 25 Oct 93

[Text] Tokyo, October 23 (KNS-KCNA)—The 1993 general meeting of the Japan-Korea Cultural Interchange Association was held in Tokyo on October 21.

The meeting was attended by Chief Director of the Association Ryosho Hayashi and its deputy chief directors.

Hajime Fukada, general secretary of the Dietmen's League for the Promotion of Japan-Korea Friendship and member of the House of Councillors of the Japan Social Democratic Party; Paek Han-ki, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), and others were invited there.

The chief director of the association in his speech called for further expansion and development of friendly exchange between Japan and Korea in the future.

Agenda items on the future activities of the association were discussed at the meeting.

The participants renewed their resolution to actively conduct solidarity activities supporting the Korean people in their struggle for the independent and peaceful reunification of the country.

Foreign Party Leaders Greet Kim Il-song

SK2610050693 Pyongyang KCNA in English 0429
GMT 26 Oct 93

[Text] Pyongyang, October 26 (KCNA)—The great leader President Kim Il-song received messages of greetings from foreign party leaders on the 48th founding anniversary of the Workers' Party of Korea [WPK].

The messages came from Man Mohan Adhikari, president of the C.C. [Central Committee], the Nepal Communist Party (United Marxism-Leninism); Samboram Shrestha, secretary general of the C.C., the Nepal Communist League; Narayan Man Bijukchhe, chairman of the Nepal Workers and Peasants Party; Tulsi Lal Amatya, general secretary of the Nepal Communist Party (Amatya); C.R. Aslam, president of the Pakistan

Socialist Party; Blasco Hugo Fernandes, chairman of the National Direction Committee of the Democratic Intervention of Portugal; Timo Lahdenmaki, chairman of the For Peace and Socialism-the Communist Workers' Party of Finland; Peter Persard, leader of the Amerindian Action Movement of Guyana; Gustavo Tablada Celaya, chairman of the Nicaraguan Socialist Party; Jose Francisco Aguilar Bulgarelli, general secretary of the Popular Force organised in Costa Rica; Humberto Vargas Carbonel, general secretary of the People's Vanguard of Costa Rica; General Secretary Armando Villa Nueva and deputy general secretary Carlos Roca Caseres of the National Executive Committee of the American Popular Revolutionary Alliance of Peru; Alberto Moreno, general secretary of the C.C., the Communist Party of Peru (Red Motherland); General Secretary Renan Raffo Munoz and International Secretary Guillermo Herrera Montecinos of the C.C., the Peruvian Communist Party; Rigoberto Padilla Ruz, general secretary of the C.C., the Communist Party of Honduras; and Miguel Mejia, secretary general of the United Left Movement of Dominica.

They highly estimated the great victory won by the Workers' Party of Korea under the wise guidance of President Kim Il-song in the course of accomplishing the cause of socialist revolution and construction and stated that they would strengthen the friendly relations between the WPK and their parties.

They wished President Kim Il-song a long life in good health.

Kim Il-song Greets Austrian President

*SK2510105293 Pyongyang KCNA in English 1018
GMT 25 Oct 93*

[Text] Pyongyang, October 25 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea sent a message of greetings today to Thomas Klestil, federal president of the Republic of Austria, on the occasion of the national day of the Republic of Austria.

Believing that the friendly relations between the two countries will continue to develop, President Kim Il-song in the message wished the Austrian president and people success in their work for the prosperity of the country.

Kim Il-song Greets Prime Minister of St. Vincent

*SK2610110993 Pyongyang KCNA in English 1021
GMT 26 Oct 93*

[Text] Pyongyang, October 26 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea on October 25 sent a message of greetings to James Fitz Allen Mitchell, prime minister of Saint Vincent and the Grenadines, on the occasion of the 14th anniversary of the independence of his country.

Expressing the belief that the friendly relations between the two countries will further develop, the message

wished the prime minister and his people greater success in the work for the prosperity of the country.

SPA Chairman Meets Sri Lankan President 18 Oct

*SK2410042693 Pyongyang Korean Central
Broadcasting Network in Korean 1300 GMT 22 Oct 93*

[Text] Sri Lankan President Dingiri Banda Wijetunga received a DPRK Government delegation led by Yang Hyong-sop, chairman of the Supreme People's Assembly [SPA], on 18 October.

The head of the delegation conveyed greetings from the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il to President Dingiri Banda Wijetunga. The president expressed deep gratitude for this and asked the head of the delegation to convey his heartfelt greetings to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, wishing them long life.

The president pointed out that he firmly believes that the good relations of friendship and cooperation between the two countries will develop further in the future. He said that he is happy that Korea achieved great accomplishments and miracles in the construction of socialism under the wise leadership of His Excellency President Kim Il-song.

Expressing an understanding of our just position on the nuclear issue, he stressed that independence is of great importance to each country. He said he hopes that Korea will be reunified in the nineties.

Present at the meeting were the Sri Lankan parliamentary speaker and an adviser to the president on international affairs.

SPA Delegation Returns Home

*SK2510095293 Pyongyang Korean Central
Broadcasting Network in Korean 1300 GMT 23 Oct 93*

[Text] After winding up visits to Indonesia, Singapore, Laos, and Thailand, a Supreme People's Assembly [SPA] delegation led by Chairman Yang Hyong-sop returned home today by airplane. The delegation was met at the airport by SPA Vice Chairman Paek In-chun; Vice Foreign Minister Cho Kyu-il; and R. Muhammed Muhamad Sumadipraja, ambassador of the Republic of Indonesia to the DPRK.

On the final leg of its tour, the delegation visited Sri Lanka as a DPRK Government delegation. After finishing its visit to Sri Lanka, the delegation departed Colombo on 20 October. M.H. Mohamed, Sri Lanka's National State Assembly speaker, and other pertinent functionaries saw the delegation off.

Greetings Sent to Speaker of Pakistani Assembly

SK2510051793 Pyongyang KCNA in English 0452
GMT 25 Oct 93

[Text] Pyongyang, October 25 (KCNA)—Yang Hyong-sop, chairman of the Supreme People's Assembly, sent a message of greetings to Yusuf Raza Gilani upon his election as speaker of the National Assembly of Pakistan.

Believing that the bonds of friendship existing between the Supreme People's Assembly of the DPRK and the National Assembly of Pakistan would continue to strengthen and develop in the future, too, the message wished him success in his future work.

SPA Chairman Sends Message to Sejm Counterpart

SK2410100293 Pyongyang KCNA in English 0805
GMT 24 Oct 93

[Text] Pyongyang, October 24 (KCNA)—Chairman of the Supreme People's Assembly [SPA] of the Democratic People's Republic of Korea Yang Hyong-sop sent a message of greetings to Jozef Oleksy on his election as speaker of the Sejm of the Polish Republic.

The message expressed the belief that relations between the DPRK Supreme People's Assembly and the Sejm of Poland would develop on good terms and wished him success in his responsible work.

WPK, Paraguayan Party Issue Joint Statement

SK2310045993 Pyongyang KCNA in English 0424
GMT 23 Oct 93

[Text] Pyongyang, October 23 (KCNA)—A joint statement of the Workers' Party of Korea [WPK] and the Febrerista Revolutionary Party of Paraguay (FRPP) was published here Thursday.

According to it, a FRPP delegation headed by Chairman Victor Sanchez Villagra visited the Democratic People's Republic of Korea from October 15 to 21, 1993, upon the invitation of the WPK Central Committee.

The statement says:

At the talks held between the WPK and FRPP delegations during the visit the two sides informed each other of their party building and activities and reached a complete identity of views on the matters of common concern.

The WPK expresses firm solidarity with the FRPP in the just struggle it is waging for social democracy and independent rights and interests of the working masses against the remnant forces of dictatorship while firmly building party's ranks under the slogan "For the general liberation of the Paraguayan people."

The FRPP notes with high appreciation that the WPK and the Korean people were successfully building man-centred socialism based on the chuche idea, united in

one mind around the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il and reaffirms support to it.

The WPK actively supports the FRPP's call for an end to the political, economic and military intervention of the imperialists and the solution of the South American problem through cooperation among South American countries.

The FRPP holds that Korea's reunification should be realized through confederacy on the basis of one nation, one state, two systems and two governments on the principle of national independence according to "10-point programme of the great unity of the whole nation for the reunification of the country" authored by the great leader Comrade Kim Il-song.

The sides call for the dismantling of all military bases in different regions of the world, withdrawal of foreign troops, particularly an immediate removal of nuclear weapons deployed on the Korean peninsula and its surroundings, termination of old international economic order violating the independence of countries and nations and causing all sorts of inequality and establishment of a new international economic order in the spirit of mutual respect and cooperation.

The sides reaffirm the resolution to firmly build the parties organisationally and ideologically to suit the specific conditions of their countries under the banner of independence against imperialism, strengthen and develop the parties to be independent ones with broad mass foundation and further consolidate the internationalist unity and bonds of solidarity with all the revolutionary parties of the world.

Further on Visit by Ecuadoran Party Delegation**WPK Hosts Reception**

SK2310050393 Pyongyang KCNA in English 0429
GMT 23 Oct 93

[Text] Pyongyang, October 23 (KCNA)—The Central Committee of the Workers' Party of Korea [WPK] hosted a reception for the visiting delegation of the Socialist Party of Ecuador Friday.

Speaking at the reception, secretary of the C.C. [Central Committee], the WPK Hwang Chang-yop referred to the energetic efforts of the Socialist Party of Ecuador to build more firmly the party organisationally and ideologically, strengthen unity with broad leftist forces and champion the independent demand and interests of the popular masses.

"We highly appreciate your efforts to maintain the independent stand against imperialism, realize solidarity with progressive political parties in Latin America and establish a new international economic order and

express support to them. We will make tireless efforts to develop the traditional friendship and unity between the two parties," he said.

The head of the delegation Victor Granda Aguilar who is general secretary of the Socialist Party of Ecuador and general secretary of the Coordination of the Socialist Latin American in his speech pointed to the amazing achievements made in socialist construction by the Korean people who had defeated the U.S. and Japanese imperialists. They owed this to the Workers' Party of Korea and to the outstanding talent and leadership of the great leader Comrade Kim Il-song, its outstanding leader," he said, adding:

"We highly estimate the efforts of the great Comrade Kim Il-song and dear Comrade Kim Chong-il to defend and develop socialism and will support the struggle of the Korean and world peoples with firm faith in socialism."

Holds Talks With WPK Delegation

*SK2410100793 Pyongyang KCNA in English 0810
GMT 24 Oct 93*

[Text] Pyongyang, October 24 (KCNA)—Talks between delegations of the Workers' Party of Korea [WPK] and the Socialist Party of Ecuador were held here Saturday.

Present at the talks on the Korean side were secretary of the C.C. [Central Committee], the WPK Hwang Chang-yop and vice-director of a department of the C.C., the WPK Pak Kyong-son and other officials concerned and on the opposite side was a delegation headed by general secretary of the socialist party of Ecuador Victor Granda Aguilar.

The sides informed each other of the activities of their parties and discussed the matter of developing the relations between them and a series of questions of concern.

The talks proceeded in a friendly atmosphere.

Met by Social Democrat Chairman

*SK2510052293 Pyongyang KCNA in English 0455
GMT 25 Oct 93*

[Text] Pyongyang, October 25 (KCNA)—Kim Pyong-sik, chairman of the Central Committee of the Korean Social Democratic Party, Sunday met and had a friendly talk with the visiting delegation of the Socialist Party of Ecuador led by Victor Granda Aguilar, general secretary of the party and general secretary of the Coordination of the Socialist Latin American.

At the talk the head of the delegation denounced the intervention and splitist moves of the imperialists against Korea and said their aggression and predatory acts against various countries of the world including Latin America must be checked.

He added that the Socialist Party of Ecuador and the Coordination of the Socialist Latin American would

make positive efforts for the close relations of friendship with the Workers' Party of Korea and the development of relations with the Korean Social Democratic Party.

Received by Kim Il-song

*SK2610113493 Pyongyang KCNA in English 1032
GMT 26 Oct 93*

[Text] Pyongyang, October 26 (KCNA)—The great leader President Kim Il-song today received the visiting delegation of the Socialist Party of Ecuador led by Victor Granda Aguilar, general secretary of the party and general secretary of the coordination of the Socialist Latin American.

Present there were Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea [WPK], Kim Pyong-sik, chairman of the Central Committee of the Korean Social Democratic Party, and Pak Kyong-son, vice-director of a Department of the WPK Central Committee.

President Kim Il-song had a cordial and friendly talk with the guests.

He arranged a luncheon for them.

WPK, Congolese Party Sign Friendship Agreement

*SK2610053293 Pyongyang KCNA in English 0454
GMT 26 Oct 93*

[Text] Pyongyang, October 26 (KCNA)—An agreement on friendship and cooperation between the Workers' Party of Korea [WPK] and the Pan-African Union for Social Democracy of the Congo was signed here Monday.

Present at the signing ceremony on our side were Hwang Chang-yop, secretary of the WPK Central Committee, and officials concerned, and on the opposite side was Tamba Tamba Victor, secretary of the National Council of the Union.

The agreement says that the two parties should consolidate and develop the friendly and cooperative relations between the two parties and the two peoples and strengthen the unity and solidarity of the progressive forces of the world struggling against imperialism, colonialism and racism and for independence, peace and progress.

The agreement was signed by Secretary Hwang Chang-yop and Secretary Tamba Tamba Victor.

LSWYK Delegation Departs for Visit to Thailand

*SK2310110593 Pyongyang KCNA in English 1043
GMT 23 Oct 93*

[Text] Pyongyang, October 23 (KCNA)—A delegation of the League of Socialist Working Youth of Korea

[LSWYK] headed by chairman of its Central Committee Choe Yong-hae left here today by air for a visit to Thailand.

WFTU Adopts Resolution on Solidarity With Korea

*SK2510052693 Pyongyang KCNA in English 0458
GMT 25 Oct 93*

[Text] Pyongyang, October 25 (KCNA)—A resolution on solidarity with Korea was adopted at the 45th meeting of the General Council of the World Federation of Trade Unions (WFTU) held in Warsaw, Poland, from October 12 to 15.

The resolution says:

The 45th meeting of the General Council of the WFTU expresses firm solidarity with the struggle of the General Federation of Trade Unions of Korea and the Korean people to defend their rights and interests and achieve the peaceful reunification of the country by realising the 10-point programme of the great unity of the whole nation for the reunification of the country.

Welcoming the adoption of a joint statement between the Democratic People's Republic of Korea and the United States of America, the General Council hopes that it will contribute to maintaining and consolidating peace on the Korean peninsula.

To this end, such interference in the internal affairs of the DPRK as military, economic and diplomatic pressure upon it must be stopped.

The General Council appeals to the workers and the trade unions of all the countries the world over to further strengthen solidarity with the General Federation of Trade Unions of Korea and the Korean people struggling to lead a happier life on a reunified, nuclear-free and peaceful Korean peninsula.

UNESCO Hosts DPRK Photo Exhibition

*SK2510224593 Pyongyang KCNA in English 1504
GMT 25 Oct 93*

[Text] Pyongyang, October 25 (KCNA)—A DPRK educational photo exhibition was recently held in the building of the United Nations Educational, Scientific and Cultural Organization, UNESCO. Speeches were made at an opening ceremony for the exhibition. Power, representative of the director general and assistant director general for education of UNESCO, said the achievements registered by the Democratic People's Republic of Korea in education were precious experience for developing education in other countries.

Nhouyvanisvang, acting assistant director general for external relations of UNESCO, said that he could see, through the efflorescing and developing education of Korea, how great the might of Korea is.

"Educational development of Korea shows that she is the most advanced country of the world in education," he said and stressed: "This proves that the future of Korea is bright". Ordonez, director of basic education division of UNESCO, said Korea has long eradicated illiteracy and is now carrying on the intellectualization of the whole society. Arnalini chief of communications development section of UNESCO, said Korea enhances the knowledge and talents of school children through after-school educational network including the school children's palace at the state expense.

"This is the state and social benefit unimaginable in capitalist countries," he said.

Expansion of Export Clothing Plant Celebrated

SK2410052493 Pyongyang Korean Central Broadcasting Network in Korean 0900 GMT 21 Oct 93

[Excerpt] The construction to expand the Chongju export clothing plant has been completed.

A meeting was held to deliver a thank-you message from Comrade Kim Chong-il, the dear leader of our party and people, to party members and workers of the plant, and all the county volunteers who participated in the construction, and to celebrate the plant's operations.

Portraits of Comrade Kim Il-song, the great leader of our party and people, and the dear leader Kim Chong-il were placed in the front of the meeting place. Slogans reading: "Long live the great leader Comrade Kim Il-song!" and "Long live the glorious Workers Party of Korea!" were put up.

Kim Hak-pong, responsible secretary of the North Pyongan Provincial Party Committee and chairman of the People's Committee of the North Pyongan Province, and other functionaries concerned participated in the ceremony with the employees and other workers of the county.

The meeting began with the chorus of the song of General Kim Il-song and the song of the dear Comrade Kim Chong-il.

In the meeting, a thank-you message from the dear leader Comrade Kim Chong-il to the party members and workers of the Chongju export clothing plant and the volunteers of the county who participated in the construction was delivered amid the participants' enthusiastic applause.

Yi Hwa, manager of the plant, made a report on the plant's operation. [passage omitted]

Report Highlights Industry on Taedong River

*SK2510225293 Pyongyang KCNA in English 1512
GMT 25 Oct 93*

[Text] Pyongyang, October 25 (KCNA)—The cigarette paper mill and the Aeguk preventive medicine factory

were recently commissioned in the basin of the River Taedong flowing through Pyongyang.

In July flats for 30,000 families were built on its bank on the occasion of the 40th anniversary of the Korean people's victory in the war (July 27).

The River Taedong which issues from Mt. Nangnim 2,260 metres above the sea level in the northwestern area of the country empties into the West Sea of Korea.

The river is 413 kilometres long and its basin extends 11,100 square kilometers.

Situated in the river basin are 12 cities and counties including Pyongyang, the capital, and Nampo, a port city of culture, Songnim, a city of iron, Yangdok and Maengsan counties that tell the history of creation and construction of the Korean people.

And on the river banks there are hundreds of industrial establishments including the Hwanghae iron and steel complex, the Chollima steel complex, the Taean heavy machine complex, the Sungni general motor works and the Pyongyang textile combine, that demonstrate the might of the chuche-based industry.

There are about 100 factories and enterprises including a vinyl complex, a cement complex, a coal mining complex in Sunchon which was filled with bitter rancor of coal miners in the pre-liberation days and tremendous changes have taken place in Yangdok county, once a remote mountain village, where some 2,150 kinds of industrial goods are produced.

The River Taedong holds a big share in the nation's production of electricity.

The Taedonggang hydraulic power complex, the Pukchang thermal power complex, the Pyongyang thermal power complex and other large hydraulic and thermal power stations and lockgate power stations and minor ones are operating on the river and on its banks.

There are the West Sea barrage, the Mirim, Sunchon and other lockgates on the river.

The river supplies water to ramified irrigation networks.

The River Taedong waters more than 100,000 hectares of crop fields in Anju, Mundok, Sokchon and Pyongwon areas through the Pyongnam irrigation works. Its water also flows into the Yonbaek and Chaeryong plains far south of the river through the West Sea Barrage-Sinchon-Ongjin and Sinchon-Kangnyong waterways that were built in recent years.

On the banks of the Taedong River there are the tower of the chuche idea, the arch of triumph, the May Day stadium, grand theatres and other monumental edifices.

Well-furnished holiday rest homes, sanatoria, parks and pleasure grounds are found on the picturesque banks of the river.

The Taedong River is, indeed, a river of paradise presenting an epitome of prospering Korea of chuche.

South Korea

Consultative Meeting With U.S. Slated for 3-4 Nov

SK2610080093 Seoul YONHAP in English 0744 GMT
26 Oct 93

[Text] Seoul, Oct. 26 (YONHAP)—South Korea and the United States announced simultaneously Tuesday that their 25th Security Consultative Meeting (SCM) will be Nov. 3-4 in Seoul.

Korea's delegation will include Defense Minister Kwon Yong-hae, Ambassador to Washington Han Sung-su and Chairman of the Joint Chiefs of Staff [JCS] Gen. Yi Yang-ho, while the U.S. side will be led by U.S. Defense Secretary Les Aspin, Ambassador to Seoul James Laney and JCS Chairman Gen. John Shalikashvili.

The meeting will discuss joint measures to stop North Korea's nuclear development, reduction in the number of U.S. Forces in South Korea and change of their role and transfer of peace-time Operational Control Authority (OCA) from the U.S. Forces to the South Korean military.

Defense burden-sharing between Seoul and Washington in 1994, South Korea's possible participation in developing the Theater Missile Defense (TMD) system, and cooperation in logistics, defense industry and defense technology will also be discussed at the meeting. Defense Ministry officials here said.

Kwon and Aspin will have a tête-à-tête in the morning on Nov. 4 to examine the development of the North Korean nuclear issue and discuss the issue of suspending next year's "Team Spirit" joint military exercise and other matters of common concern.

On Nov. 3, the JCS chairmen will attend the 15th Military Committee Meeting (MCM), where they will exchange views on the strategic environment and North Korea's possible military threat, the new military strategy of Washington and the force improvement plan of the South Korean military.

The plenary SCM will be in the afternoon on Nov. 4. The defense ministers of the two countries will issue a joint statement in a joint press conference slated for later in the day.

Government Plans More Talks on U.S. Buildings

SK2310071393 Seoul KYONGHYANG SINMUN in
Korean 23 Oct 93 p4

[By Kim Chong-tu]

[Text] It is expected that negotiations over the return and rent payment for the U.S. diplomatic properties, which the U.S. Government has used for nothing, will be fully resumed.

Since the Board of Audit and Inspection pointed out the issue concerning the assets in July, the government has expressed its will to resume negotiations over the issue. Now that the issue was raised during the National Assembly's inspection of state affairs, the government is hurrying to make preparations for resuming negotiations to resolve the matter.

As U.S. Ambassador to the ROK James Laney, who is the U.S. representative for the negotiations, said that "I will do my best to hold negotiations." Thus, it is expected that the ROK-U.S. negotiations may be resumed next month.

The diplomatic properties, which the U.S. Government has used for nothing, include the U.S. Embassy; the residences for U.S. Embassy personnel at the U.S. Yongsan Base; the U.S. Embassy's General Service Office [GSO] building located in Namyong-tong, Seoul; the U.S. Information Service [USIS] building in Pusan; and the official residence of USIS in Kwangju. Both governments have discussed for 13 years, since 1980, the issue of the return of the properties and the payment of rent.

Of these, the U.S. Embassy located in Sejongno, Seoul, is the largest building. The U.S. Embassy building and the Supreme Council's building (which is currently used as a building for Ministry for Culture and Sports) were built in 1961 during the military regime. The plotage and floor space of the U.S. Embassy building amounts to 2,000 square meters and 3,000 square meters, respectively.

The residence for the U.S. Embassy's personnel, which is the second largest, located in Yongsan Base, amounts to approximately 70,000 square meters. The plotage of the GSO property, located in Namyong-tong, Seoul, amounts to 6,200 square meters. The plotage and floor space of Pusan's USIS building amounts to 413 square meters and 418 square meters, respectively. The official residence of Kwangju USIS amounts to 79 square meters.

The reason the United States has used the U.S. Embassy for nothing dates back to 1961. The U.S. Embassy building was built as part of a project in which the ROK Government built the USOM [U.S. Overseas Mission] jointly with the United States. In 1961, the price of the land of the U.S. Embassy building—a building with eight stories above ground and a basement—was \$10.71 million. Of the total construction costs amounting to \$3.21 million, our government shouldered \$1.15 million, and the U.S. Government paid \$2.06 million.

In 1962, the ROK and the United States concluded a treaty that "As long as the ROK-U.S. Mutual Defense

Treaty exists, the USOM and its affiliated organizations should use the embassy building for nothing."

The USOM was turned into the USAID-K in 1968. The USAID-K used the building jointly with the U.S. Embassy. However, as the U.S. aid for the ROK came to an end, the USAID-K was officially abolished in 1980.

As a result, the U.S. Embassy, which has used the building for nothing since 1968, has lost a legal ground through which it can be exempted from paying rent for the use of the building.

Since then both countries had held negotiations over the issue concerning the levy of rent and the relocation of the U.S. Embassy. As a result, in October 1986, then-Seoul City Mayor Yom Po-hyon and U.S. Ambassador Richard Walker signed a concession memorandum on exchanging the land of the former Kyonggi Girls' High School for the USIS building in Ulchiyo and part of the U.S. Embassy personnel's residence in Anguk-tong, Seoul.

Though the United States made a verbal promise that it would build a building on the land of the former Kyonggi Girls' High School and move the embassy there by 1995, it has not even started the construction citing that it is too expensive.

However, the U.S. side has recently put forth an unreasonable allegation that, because the Economic Department of the U.S. Embassy has taken over the role of the USAID-K, it cannot pay rent. Furthermore, while raising "The Initial Treaty on Finance and Property" concluded in 1948 during the U.S. military administration period and the treaty, "As long as the ROK-U.S. Mutual Defense Treaty Exists, the United States can use the embassy building for nothing," the U.S. side is constantly making an unreasonable claim that it has the right to perpetually use the buildings for nothing.

The ROK Government has the firm will that, in case that the United States should pay 500 million won a year as rent for using the embassy building, the rent would amount to 1.1 billion won for 13 years. The ROK Government also has the firm resolve that it will receive the rent through negotiations with the United States. According to the negotiations with the United States, the government now receives rent for the USIS building in Pusan and the official residence of the USIS in Kwangju. It has been learned that the government plans to resolve the issue concerning the embassy personnel's residence in Yongsan Base and the GSO building along with the relocation of the Yongsan base.

Court Sentences U.S. Soldier to 10 Years

SK2310015993 Seoul *THE KOREA HERALD* in English 23 Oct 93 p 3

[Text] The Seoul District Criminal Court yesterday sentenced an American soldier to 10 years in prison for assaulting and raping a Seoul beer hall proprietress. Sgt.

John Roger of the U.S. Army Second Division was convicted of assaulting Kim Kuk-hoe, 51, at her beer hall near the Samjong Hotel in southeastern Seoul last May 29, the day he flew into Seoul to begin his new duty in Korea. Judge Ha Kwang-ho said that the soldier deserved severe punishment because he, although drunk, struck a frail woman with a blunt weapon. In addition, the circumstantial evidence and the victim's testimony proved that he raped her after she lost consciousness, the judge said.

U.S. Asks Help To Fund Russian Privatization
SK2210085393 Seoul CHUNGANG ILBO in Korean
22 Oct 93 p 2

[Text] Recently, the U.S. Government officially requested that the ROK actively participate in creating funds that are necessary for the privatization of Russia's state-run companies such as the munitions industry. Although the government initially gave a negative response in this regard, it is taking pains to come up with measures because the United States is making such a strong request.

On 22 October, the Foreign Ministry revealed that the U.S. Government requested through the U.S. Embassy in the ROK: "We are trying to create \$3 billion in funds to privatize Russia's state-run companies like the munitions industry. We ask the ROK to participate in this project."

In this connection, the ROK Government responded by saying: "Since we have not received the remainder of the interest on our loan to Russia, additional economic cooperation will be difficult. We supplied Russia with a loan of \$1.47 billion." However, the U.S. side was learned to have urged: "We will come up with detailed plans regarding this matter, and once again request ROK participation. We hope that your side will cooperate."

At the July summit meeting of the Group of Seven in Tokyo, U.S. President Bill Clinton revealed a plan to create funds amounting to \$3 billion to help privatize Russia's state-run companies. It was learned that in accordance with this U.S. plan, the Japanese Government had promised to contribute about \$100 million.

Of the \$3 billion, the United States plans to appropriate \$1.5 billion, and the rest of the money will be appropriated by other advanced countries and international finance organizations.

Ministry Considers Purchasing Russian Submarines
SK2410063793 Seoul CHOSON ILBO in Korean
24 Oct 93 p 1

[By Yu Yong-won]

[Text] It was learned on 23 October that the Defense Ministry is prudently examining the possibility of introducing up-to-date Russian-made conventional-type submarines. This acknowledges the recent Russian inquiry made to our government on the possibility of us purchasing conventional-type submarines. What is attracting the attention is the fact that submarines have greater political significance than other weapon systems such as fighter planes. It was learned that, at the international weapons exhibition held in September in Nizhniy Novgorod, Russia told the ROK's appropriate officials that it can sell to the ROK all conventional-type submarines, including the Kilo class, which is an up-to-date conventional-type submarine. It was learned that in this connection the Defense Ministry, the Conference of the Joint Chiefs of Staff, and the Navy are examining the possibility of including Russian submarines as candidates in their plan to purchase large-sized, over 2,000-tonne, submarines starting in early 2000. Regarding this, a Defense Ministry official said: "The Navy is interested in the rescue submarine as well as the Kilo class submarine." The Russian side did not provide detailed information but related officials believe that Russian-made submarines can be purchased much cheaply than European-made submarines.

The Kilo class submarine is an up-to-date 2,500-tonne class submarine developed in the early eighties. It was exported to India, Romania, and Iran, but North Korea does not possess this submarine yet. The Navy has already commissioned or is in the process of building six German-made 209-style submarines. The 209-style is a 1,400-tonne class vessel for the Navy's coastal use. Therefore, active promotion is being carried out to purchase in early 2000 large-sized submarines that are over 2,000 tonnes, which are able to execute operations in the ocean.

Russia Not To Repatriate Escaped DPRK Loggers
SK2210110993 Seoul YONHAP in English 1047 GMT
22 Oct 93

[Text] Seoul, Oct. 22 (YONHAP)—A visiting senior Russian official said here on Friday his government plans to allow those North Korean loggers who escape from Siberian logging yards run by North Korea to live in Russia.

Abdukhal Mikitayev, commissioner of the committee for citizenship attached to the Russian presidential office, told reporters that the Russian Government is reconsidering the agreement signed with North Korea on the operation of logging yards in Siberia.

During the days of former Soviet Union, he said, North Korean escapees used to be turned over to North Korea in a deal with Pyongyang.

"Russia, however, plans not to turn those North Koreans who escape from Siberian logging yards for human rights and political reasons over to Pyongyang authorities," Mikitayev said.

Regarding the recent dumping by Russia of nuclear waste into the East Sea, the Russian official said the dumping was a mistake.

"On behalf of the Russian Government, I would like to ask the Korean Government and people for their understanding and forgiveness in this regard," Mikitayev said.

He added he expects Russia could find ways to resolve the matter in a normal way.

Meanwhile, the NAEWOE PRESS, quoting a Radio Moscow report of Oct. 21, said 63 North Korean workers escaped from Siberian logging yards in last year alone because of harsh work and living conditions there.

Of the escapees, 19 returned to their work sites and the remainder asked for political asylum at the South Korean embassy in Moscow, it said.

The Radio Moscow was quoted as saying that if no new agreement could be worked out with North Korea, Russia may allow North Korean loggers to remain in Russia without being forced to return to North Korea.

Explanation Sought From Japan on Nuclear Dumping

SK261011993 Seoul YONHAP in English 0102 GMT
26 Oct 93

[Text] Seoul, Oct. 26 (YONHAP)—Seoul demanded an explanation from Japan on Tuesday of reports that it has discarded nuclear waste into the East Sea. The embassy in Tokyo has been instructed to verify Science and Technology Agency Chief Satsuki Eda's remarks confirming that his country released radioactive isotopes into the sea lying between Korea and Japan.

Ministry officials said they did not know about the Japanese dumping in the East Sea, adding that they were initially told that the waste was being discarded in the Pacific Ocean.

The confirmation came after Russian Atomic Energy Minister Viktor Mikhaylov charged in Tokyo that Japan dumped nuclear waste 10 times more radioactive than what Moscow discarded a week ago. Eda was quoted as saying that the Tokyo Electric Power Co. Inc.'s power plant released tritium with 390 billion becquerels of radioactivity last year, but that the level was well within safe range.

IAEA on Inconsistencies in DPRK Nuclear Reports

SK2610083393 Seoul KBS-1 Radio Network in Korean
0710 GMT 26 Oct 93

[Text] David Kyd, director of the Public Information Office of the International Atomic Energy Agency (IAEA), said that nuclear materials reported by North Korea to the IAEA were found to be inconsistent with the materials extracted by the IAEA team from North Korean nuclear facilities.

David Kyd, director of the IAEA Public Information Office, who came to Seoul to attend a seminar on nuclear reactors, said in a news conference today that such inconsistency indicated that North Korea had not reported all its nuclear materials [haek muljil] to the IAEA. Also, he said that the IAEA had even obtained information that North Korea has another nuclear facility.

According to Director Kyd, confirming North Korea's possession of nuclear facilities is extremely urgent by IAEA standards and we are now missing out on an opportunity to confirm this. He added that no talks had been held with North Korea to date because North Korea has refused to have its nuclear facilities inspected.

Director Kyd said: The IAEA cannot guarantee that the North Korean nuclear facilities are being used for peaceful purposes alone because the IAEA team has not been able to conduct the inspection, but it is willing to hold technological and political discussions [kisulchok chongchijok tour] with North Korea to solve this issue.

Large Quantity of DPRK Products Available

SK2510100493 Seoul CHUNGJUNG ILBO in Korean
24 Oct 93 p 4

[By reporter Sim Sang-pok]

[Text] "Made in DPRK."

We can often see these English labels marking the products are from North Korea on the wet towels used in the restaurants near the Kwachon Government Complex where many economic authorities are located. As of the end of August, \$133,000 worth of wet towels made in North Korea were imported and are competing fiercely with made-in-China towels which had dominated the domestic market. Wet towels are not the only North Korea made item prevalent around us.

In the first half of this year, agricultural products including 1,322 tonnes of acorns, 170 tonnes of bracken, and 54 tonnes of sweet potatoes were imported and enriched our food tables. Although it has been over a year since the South-North dialogue has been suspended due to North Korea's nuclear inspection issue, North Korean products have kept reaching every corner of our life.

According to the External Economic Coordination Office of the Economic Planning Board, North Korean imports in the first half amounted to 59 items or \$93.8 million of which 87 percent was five kinds of minerals including zinc, gold, and silver, and the remaining 13 percent was 54 items closely related to daily living.

Although most of the imports are minerals in terms of value, daily necessities dominate in terms of the number of items.

Leaf tobacco made in North Korea is used in 88 brands of cigarettes. Arrivals of perilla seeds, kyonmyongja,

fatsia shoots, Job's tears, mongolian beans, and mushrooms are also seen in smaller volumes. Pepper leaves and pickled cucumbers which we enjoy are also included in the import list as well as mudfish for chu-o-tang, clam meat, salted jellyfish, frozen globe fish, and pollack.

Clothes made by North Koreans under processing deal trade [imgagong] are no longer unusual. North Korean wine, blinds, cushions, stones, and handicrafts are also becoming more and more familiar to us.

As construction materials are in short supply due to increased road and subway construction projects, 2,726 tonnes of North Korean gravel was also imported in June for the first time.

DPRK Steps Up Overseas Publicity on Kim Chong-il

SK2310073693 Seoul YONHAP in English 0520 GMT
23 Oct 93

[Text] Seoul, Oct. 23 (YONHAP)—North Korea's international public relations effort to portray Kim Chong-il, son and heir of President Kim Il-song, as a Third World leader was stepped up recently. The propaganda was first spread abroad in the early 1980s, soon after the junior Kim's grooming as heir began, but Pyongyang has heaped it on thick since "the dear leader" began to act as de facto successor to his father in 1990.

One means the North Koreans use to publicize the junior Kim is to create institutes and other organizations bearing his name. The first was the Kim Chong-il Study Squad, set up in Pakistan in 1983. Two years later, the West Africa Kimilsongism Institute in Mali was renamed the Mali Kimchongilism Squad.

NAEWOE PRESS, Seoul's official watcher of North Korea, said on Saturday that a number of Kimchongilism institutes have been set in Japan this year. On May 9, soon after Kim was named chairman of the defense commission, the Toyama Kim Chong-il Works Institute was formed in Toyama Prefecture and similar institutes were created in 10 other areas of Japan, including Fukushima, Kanakawa and Saitama Prefectures. On July 13, the Kim Chong-il Works Study Society was established in New Delhi.

Formed by pro-Pyongyang politicians and scholars with financial support from North Korea, these institutes engage in the study of the "great works" of Kim Chong-il and publicize his "outstanding" leadership.

As Kim has strengthened his grip on the reins of power, North Korea has pushed its overseas fronts to work harder and the Kim Il-song Chuche Thought Squads in Guyana, Mali and Namibia have launched propaganda drives for Kim Chong-il.

North Korea's central radio reported Oct. 7 that in the last 10 years about 480 works by Kim have been published in foreign languages for distribution in 150 countries. It said that Kim's thesis "Concerning Basic Problems in the Revolutionary Construction of the Party," released in October last year, was translated into nine languages, including Chinese, English, Russian, French, Japanese and Arabic within two months of its release for distribution in about 190 countries.

His "Historical Lessons From the Construction of Socialism and the Total Policy of Our Party" was discussed or carried in about 130 foreign publications in a period of little more than six months.

North Korea displays copies of the overseas versions of Kim's works in the Comrade Kim Il-song Work Exhibition Hall of the Grand People's Study Hall in Pyongyang to make it appear as if he is a famed leader abroad. The work hall contains about 400 books by father and son published abroad.

North Korea asserts that the overseas publication of so many works by the Kims indicates "mankind's ardent passion for the creation of a new world taking advantage of chuche thought as a policy guideline for revolution and construction." Chuche thought is Kim Il-song's quirky, home-grown version of Marxism-Leninism.

In recent months, North Korea has told its overseas institutes play up Kim Chong-il's role in the military. It is seeking to have the maximum effect by emphasizing that Kim Il-song and Kim Chong-il are father and son.

The drive also has the apparently contradictory aim of emphasizing that Kim junior is an "outstanding" leader separate from his more famous sire to prepare for the senior Kim's death. North Korea is expected to continue building up Kim Chong-il's image abroad as he is steadily emerging as undisputed strongman in the most tightly closed society in the world.

Deng Xiaoping's Eldest Son To Begin Visit 4 Nov

SK2410013093 Seoul THE KOREA HERALD in English 24 Oct 93 p 3

[Text] The eldest son of China's top leader Deng Xiaoping is to arrive here Nov. 4 for a 10-day visit that will include a meeting with President Kim Yong-sam and South Korean industrialists. Deng Pufang, 49, chairman of the China Disabled Persons' Federation, will come here with a troupe of handicapped artists at the invitation of the Korean Society for Rehabilitation of Persons with Disabilities. He is scheduled to meet with President Kim, National Assembly Speaker Yi Man-sop, Daewoo Group Chairman Kim U-chung and other politicians and businessmen, a spokesman said. Deng will also tour major industrial sites including Hyundai factories.

**ROK, Taiwan To Exchange Missions
Mid-November**

SK2410073593 Seoul CHUNGANG ILBO in Korean
24 Oct 93 p 1

[Text] The government decided to establish the ROK mission in Taipei in mid-November. It will appoint a former ambassador as the representative of the mission to be dispatched to Taipei in the near future. A Foreign Ministry official revealed on 24 October: "The mission which will be set up in the form of a branch office of the Korean International Cooperative Association. Considering our relations with China, the representative will be selected from a list of retired ambassadors. Currently, work is being carried out to select the most suitable person."

The official continued: "Once the representative is selected, it will be possible to open the mission in mid-November at the latest. There is high possibility that the representative of Taipei's mission to the ROK will be an incumbent diplomat."

He added: "If the ROK and Taiwan exchange missions in each other's country, negotiations will start on lifting the economic sanctions that were inflicted on the ROK in August 1992 by Taiwan as a form of retaliation after the ROK Government severed diplomatic relations."

After the rupture of diplomatic relations between the ROK and Taiwan, the ROK handed over its embassy building to Taiwan. A new office building in Taipei which was rented in December 1992 will be used as the ROK mission. Because the building which was used as the Taiwan Embassy in Myong-tong is now occupied by the Chinese Embassy, Taiwan is looking for a new office to use as its mission.

Government To Open Embassy in Israel in 1993

SK2410043493 Seoul TONG-A ILBO in Korean
24 Oct 93 p 2

[Text] The government has decided to open an ROK Embassy in Israel within the year. First Assistant Foreign Minister Sin Ki-pok will be sent to Israel in early November to work on the preparations for opening the embassy.

Institute Signs Agreement With Canadian Firm

SK2310021493 Seoul THE KOREA TIMES in English
23 Oct 93 p 16

[Text] The Korea Institute of Machinery and Metals (KIMM) yesterday signed an agreement to jointly develop and share technologies on robotics and dimensional measurements with the Canadian high-tech firm Servo Robot Inc. (SRI) in a ceremony in Seoul.

The purpose of the agreement is to promote the dissemination of technologies developed by either party and

jointly develop new products adopting laser vision, welding robot programming and computer vision systems of welding control.

The Korean institute will gain access to technologies needed to make welding robots by making use of SRI-developed vision systems, expert welding systems and software for welding engineering and welding process control systems.

The laser vision system, a critical part of robotics, was developed and is sold by SRI around the world. All ownership rights for the system, including hardware and software rights, belong to SRI.

Servo Robot, located in Quebec province, has proved its expertise in the design and manufacture of reliable industrial electronic systems with the development of sophisticated electronic products in Canada and abroad based on the latest micro-electronics and sensor technologies.

After the signing ceremony at the Westin-Chosun Hotel, SRI president Jean-Paul Boillot said, "We combine service and technology, offering hardware, software and peripherals, as well as the necessary assistance including training and maintenance services."

"SRI's robot technologies will be very useful for Korean companies, who are pressing ahead with factory automation and the agreement with KIMM will speed up industrial cooperation between SRI and Korean firms," he said.

SRI is negotiating with Hyundai Precision & Industry Co. in order to supply the Canadian firm's technologies and products to them, according to Boillot.

Exports to Latin America 'Expanding Sharply'

SK2510133493 Seoul YONHAP in English 1218 GMT
25 Oct 93

[Text] Seoul, Oct. 25 (YONHAP)—South Korea's exports to Latin America have been expanding sharply in the recent years.

According to figures released by the Korean Trade Promotion Corp. (KOTRA) on Monday, the country's exports to the Latin American area have been rising at the annual rate of 53.6 percent since the turn of the 1990s.

From 1986 through 1989, exports grew by 25.4 percent a year on the average.

Major export market countries in Latin America include Panama, Mexico, Argentina and Venezuela, which together accounted for 73.3 percent of all South Korea's exports to Latin America in 1992.

Parallel with the swelling exports, trade surplus with the area has been growing from 42 million dollars in 1987 to 378 million dollars in 1990, 581 million dollars in 1991 and further to 2,441 million dollars last year.

In 1992, South Korea's exports to the Latin American area reached 4,962 million dollars or 6.5 percent of the total exports of the country.

Prime Minister Delivers Domestic Policy Speech

SK2510042793 Seoul KBS-1 Television Network in Korean 0106 GMT 25 Oct 93

[President Kim Yong-sam's policy speech delivered by Prime Minister Hwang In-song at the National Assembly on the occasion of the presentation of the 1994 budget bill—live]

[Text] Esteemed speaker of the National Assembly and national assemblymen: I am very honored to explain the direction the administration has taken and the state of affairs and major government policies on the occasion of the presentation of the 1994 fiscal year budget to this regular National Assembly session, the first regular National Assembly session under the new government. The people have high interest and expectations regarding the current National Assembly session, which will deliberate the budget bill and other bills that will support our reforms. I hope the current National Assembly session will meet the people's expectations and desires.

National Assemblymen: The new government has been pushing ahead with change and reform in order to provide a foothold for a new leap forward by healing the Korean disease that has hindered our society's development thus far.

The waves of change and reform are affecting every part of our society. The social structure of deep-rooted corruption has collapsed, and the legacies of the era of authoritarianism have been eliminated one by one. Administrative regulations and restrictions that have inconvenienced people's lives and economic activities have been abolished, and the public sector is being cleaned up. The revelation of public officials' property holdings for the first time in our history; the introduction of the real-name financial transaction system, which can be considered the reform of all reforms; and the new economy of participation and creation are important steps toward a clean government, a sound society, and a healthy economy.

When our society matures morally and we accumulate national power by attaining economic prosperity in a reunified fatherland, the long-cherished desire of our people can be expedited.

Assemblymen: The international situation and the situation surrounding us demand that we seek change and reform. Borders have been eliminated in the world economy, and a war without guns has broken out to replace the Cold War. This new war is an economic war, a war of technology. All the countries of the world are now moving rapidly toward the 21st century.

To win victory in this sharp international competition, we must move forward by positively carrying out

changes and reform. At the crossroads in which we face a new century with the excitement inside and outside of the country, the next two or three years will be a big turning point that determines the fate of our nation.

On the occasion of this important era, we must continue to carry out changes and reform and prepare for an advance toward the world and the future.

To achieve this mission of the times assigned to us by history, I will tell you about the government's important policies for 1994 as a pledge to you again that I will make all efforts to properly carry out the government's administration.

First of all, I will tell you about the political area.

Dear assemblymen, as stressed in my previous speech at the National Assembly in September, today's trial requires us to conduct new politics. We must carry out the politics that leads the people to move forward to the prosperity and development of the country. We must not conduct the politics of confrontation that wastes the national power, but carry out the politics that gives the people hope.

It is these times that require good politics to broaden our outlook on the world and the 21st century and in which we must, together, carry out the state-oriented tasks. Unfortunately, the politics in our country over the past years frequently disappointed our people.

Now, the political reform is the solemn order of our people and historic mission in which we cannot fail. Through extensive political reform, we must enhance the moral sense and productivity of politics. As a result, we must regain the trust, which we politicians lost, from our people.

To take the sound and democratic politics root in this land, above all, clean and fair elections must be carried out. Now, we must carry out the election revolution in which neither illegal nor corrupt elections will be possible.

Also, we must sever a linkage between politics and the business circles and disclose the political fund. Our National Assembly must be reborn as a true sanctuary for the people. The lamp of the National Assembly must gleam with a creative debate to raise our people's standard of living and to forge a strategy for the development of the country.

I believe that these tasks facing our politicians are the important and pressing matters that should be solved by the 14th National Assembly. I also believe that the sincere and high-class parliamentary activities conducted by you, assemblymen, during the regular National Assembly session showed the new possibility of the National Assembly, which works and exists together with the people.

I expect that at this National Assembly session, both the ruling and opposition parties, will rack their brains to properly enact the bill relating to political reform.

I will tell you about the government's diplomacy, reunification, and security fields. The world is now creating new international orders with the exchange of reconciliation and cooperation. By positively dealing with such diplomatic and environmental changes, the government will sincerely make efforts to promote our own national interest. As a result, it will make efforts to hasten to join the ranks of the developed countries and to establish the unified fatherland.

The government will positively carry out a new diplomatic policy of enhancing our international role, while creating an international climate for the security on the Korean peninsula and for its peaceful reunification, thus more closely cooperating with the countries surrounding us.

With U.S. President Clinton's visit to the ROK last July as an occasion, we have been further deepening and developing relations of comprehensive [pogwalchok] partnership with the United States. With Japan, we are emphasizing developing relations of future-oriented, practical cooperation through resolving past issues. We will also further strengthen relations of friendship and cooperation with China and Russia and, at the same time, will play a leading role in multilateral dialogue and cooperation for security of Northeast Asia.

The economic conference of leaders of the Asia-Pacific Economic Cooperation [APEC] slated for November in Seattle will provide good momentum to increase cooperation among countries in this area.

The government is making efforts to secure our role and position commensurate with our national strength in the international community. The ROK's role is growing in international organizations, including the United Nations. Our Army unit that was dispatched to Somalia as part of UN peacekeeping troops is excellently fulfilling its peaceful duty.

The government will actively promote steps to join the UN Security Council as a nonpermanent member nation in 1996. It will also actively participate in international efforts to solve global problems such as arms reduction, protection of human rights, and environmental protection.

The importance of economic diplomacy is being stressed more in this era of economic war. The government will actively participate in multilateral negotiations, such as APEC and the Uruguay Round, and will make diplomatic efforts for trade expansion, guarantee of resources, and will increase scientific and technological cooperation.

The government will also intensify cultural and educational support to help the 500 million overseas Korean compatriots strengthen national solidarity with their

fatherland and establish themselves as respectable citizens of the countries where they reside. It will also draw up policies to promote overseas compatriots' civilian-level economic relations with the fatherland.

Dear assemblymen: The peaceful reunification of the fatherland is the dearest wish of 70 million Koreans, as well as a historic mission imposed upon all of us who live in this era.

The new government presented the three-based and three-phased reunification method for ultimately building a single country of one nation through the phase of South-North alliance [yonhap] following the phase of reconciliation and cooperation, with the people's democratic agreement, coexistence and coprosperity, and national welfare as the basic spirit.

South-North relations, however, are not able to progress even by one inch due to the suspicions about North Korea's nuclear development. North Korean nuclear development poses a great threat, not only to peace and reunification of the Korean peninsula, but also to peace and security of the world. North Korean nuclear development must be deterred in anyway under any circumstances.

For a peaceful solution of the North Korean nuclear question, the government will seek to persuade North Korea through South-North dialogue, as well as strengthen the international cooperation system. The government accepted the North Korean proposal for envoy exchange and is now promoting working-level contacts for this, from the viewpoint that the content of dialogue is more important than its form in light of the imminence of the nuclear issue.

To relieve the pain of 10 million separated family members is another pressing task to be solved without further delay. The government plans to implement this task in stages by carrying out easier things first. The government will make efforts to establish special rooms in Panmunjom for separated family members to meet and exchange mail and to help them meet one another and exchange mail through a third country.

Under the current circumstances in which the North and the South are standing in military confrontation and the solution of North Korea's nuclear issue remains an important task, we should maintain a steady security attitude. To this end, I think that it is imperative for the government to secure a stable defense budget. By more firmly maintaining an all-out security attitude in which the people participate, the government will establish a comprehensive policy through which we can check any provocation by North Korea. In addition, the government will press ahead with reform to develop a future-oriented defense organizational system by improving all kinds of unreasonable military systems.

Next, I will refer to the government policy on the economic fields.

For the past few years, we have seen a trend where the world economy is rapidly becoming internationalized and is opening up. Along with this, we have seen each country seeking its practical economic profits and strengthening regional protectionism. In the course of undergoing the transitional period of democracy, our economic competitiveness has been rapidly weakened due to the sharp wage hike compared with productivity.

The trends of avoiding hard tasks, the trends of extravagance, and the trends of collective selfishness have been prevalent. Such trends have stood in the way of recovering our economic revitalization. The new government, which has been launched under such a difficult circumstance, plans to improve the basic structure of economic operation in keeping with the trends of new change and reform.

Not based on the economic operation mainly centered on direction and [word indistinct], the government will establish a new economic management structure in keeping with the era of democracy and openness, by bold reform of consciousness and institutions.

To this end, the government has established and is promoting the New Five-Year Economic Plan, which contains the direction of economic policy and the blueprint of reform that should be promoted for five years ahead. The New Five-Year Economic Plan is aimed at finding out the new driving force for economic development based on the people's active participation and creation; at momentously reforming all fields of economic systems, including finance, monetary systems, economic administration; and at thereby increasing the economic efficiency.

In addition, as is scheduled, the government will promote major policies to increase the potentials of growth, strengthen the base of international markets, and enhance the people's living standards. As has been revealed in the New Five-Year Economic Plan, in a bid to effect a leap in our economy through transparent economic activity, the government has conducted the real-name financial transaction system since 12 August.

The real-name financial transaction system will be a motive to expedite the advance of our economy and society, by establishing a sound financial transaction order and justness in the tax system and by basically removing corruption and irregularity.

In the early stage of conducting the real-name financial transaction system, the people had misgivings about the real-name financial transaction system and small business were pressed up for the lack of funds. However, owing to the people's active participation in conducting the real-name financial transaction system and the government's supplementary measures, the real-name financial transaction system is being successfully established without a grand adverse effect.

Because of the economic depression so far and poor investment, industrial production has become dull.

Investment is not occurring at a brisk pace. However, as the real-name financial transaction system is being rapidly established and general policies to recover the economic revitalization are being smoothly promoted, our economy will get out of this year's difficulties. Our economy will be slowly revitalized by February next year. As a result, a new leap will be effected in our economy.

In operating the economic policy, the government, along with a short-term policy to revitalize the economy, will focus the economy's management on developing growth potential and on increasing productivity through a medium- and long-term policy.

In addition, to further strengthen an economic-stability foundation through food price stability, the government will try to steadily manage currency and wages. The government will also make all efforts to manage the price of each commodity, including the necessities of life.

In a bid to develop growth potentials and the productivity of our economy, expanding the social overhead capital is the most pressing issue. Because of the lack of the social overhead capital, our economy has so far paid enormous social costs. This has been a grand stumbling block to each domain of industrial activity. By greatly expanding financial investment in the social overhead capitals, such as roads, railroads, and ports, the government will lay a foundation to strengthen industrial competitiveness. In addition, the government will also make all efforts to efficiently manage the work of the state-invested enterprises.

To secure the financial resources needed for the social overhead capital, the government has decided to turn the special oil consumption tax into a special purpose tax. The government has decided to secure special funds for traffic facilities, such as roads.

Next year's budget for investment in social overhead capital 6.0772 trillion won, up 29.9 percent compared to this year's figure. In addition to the government's finance, to expand investment in the facilities of social overhead capital, the government plans to set up a multifaced policy to raise funds, by issuing bonds and through the participation of civilian enterprises.

To realize the advance of our economy, the government will greatly expand the investment in science and technology and will rapidly turn the industrial structure into the one deeply based on technology and expertise. To this end, out of the gross national product, the government will increase the science-technology investment rate into three or four percents by 1998. By promoting the development of a key strategic technology, the government will see to it that the information-service industry should be developed. In addition, by establishing a cooperative system of educational-industrial complex, the government will set up a system for supporting a technology-development field.

The Taejon Expo is being successfully held. More than 10 million people have already toured the Taejon Expo for 72 days alone since it was opened. When the Taejon Expo comes to an end, the government will set up a policy to use the Taejon Expo facilities as science education facilities for the growing generations.

Members of the National Assembly:

To strengthen the competitiveness of industry, the government will steadily promote the work to change the structure of small- and medium-sized enterprises. Next year's budget for the fields of the small- and medium-sized enterprises amounts to 2.1 trillion won, up 90.8 percent than this year's figure. Along with this, the government will expedite the work to improve the structure of the small- and medium-sized enterprises, by expanding the scope of real-estate security, abolishing the limit of commercial bill discount, and expanding supply of facility funds. In addition, the government will ease restrictions of every kind for the small- and medium-sized enterprises.

In order for small- and medium-sized enterprises to develop technology and strengthen competitiveness, the government will strengthen a cooperative system between small- and medium-sized enterprises and large enterprises.

The government will set up a general local-development policy in a bid to develop locals in a balanced way and revitalize local economy. By so doing, the government will positively develop the local small- and medium-sized enterprises.

Members of the National Assembly:

Owing to the cold weather on a worldwide scale, agricultural production has decreased. Our country's rice crops have also been damaged.

On the damage due to cold weather the government will offer maximum support to farmers. To basically solve the question of farm and fishing villages, the government will complete three years ahead of schedule its farm and fishing village structural improvement project which requires a total of 42 trillion won and which was originally scheduled to be finished in 2001. Next year, the government will invest 3.272.5 billion won, an increase of 24.8 percent over this year, in the farm and fishing village structural reform project.

To enhance the competitive power and productivity of our agriculture the government will not only accelerate the modernization of farm installations and facilities, including the establishment of agricultural production foundation and its mechanization, and the innovation of agricultural technology, but will also further emphasize the education and training of agricultural manpower to make farm work scientific.

In pushing ahead with the farm and fishing village structural improvement project, we will lead farmers and fishermen not only to actively participate in the project,

but also to organize their own organizations by products so that they can take the initiative in circulating products in markets.

Assemblymen: Next I will mention the field related to social welfare. The government will not only strengthen the policies to promote the people's living, including transportation, environment, housing, and medical service, in order to increase the basic demands for the people's living and the quality of their living, but also constantly promote the level of social welfare for low-income people.

To alleviate traffic jams in big cities, the government will accelerate the ongoing subway construction project and will provide support with 650 billion won, an increase of 70 percent over this year, for the subway construction project. The government will construct 558 kilometers of additional rail lines in six major cities in the country by 2001. Thus, the government will rapidly increase the rate of the subway's contribution to transportation.

To eliminate traffic congestion in cities, the government will not only continue expanding the main road network, including expressways and roads linking cities, but will also work out a plan to introduce a new traffic system for the masses. The government will promote the construction of a high-speed railway and the construction of the new airport in Yongchongdo without setback and will develop Kunsan port and Asan port to cope with the increase in trade with China in the future.

Along with the expansion of traffic facilities, the government will pay special attention to traffic safety and establish effective measures for it. I cannot suppress my regret and sorrow over the fact that numerous human lives were lost in the sinking of a ferry boat on the west coast recently, and I am very sorry for this. This large-scale incident was due to the lack of safety-management capability of the front line administration organs and the firm operating the ferry boat. However, I think that the easy-going and indolent attitude of our officials concerned toward their duties and the lack of citizens' consciousness of thoroughly abiding by order and regulations, as well, contributed to causing the incident. We will thoroughly establish strict measures to prevent incidents in the future and make our best effort not to repeat such an unfortunate incident.

Assemblymen: The people's demands for clean water and fresh air, and fine environment are increasing with each passing day. To supply clean water, the government is making active efforts to preserve the source of good quality water on one hand and is working on a comprehensive measure to supply clean water.

The government will expand basic environmental facilities, including sewage disposal plants and, thus, will improve the quality of piped water by 1997.

The government will give priority to building 15 great-sphere waterworks and five water-supplying dams in areas where a water shortage is expected. It will actively

promote clean fuel supply to reduce the sulfuric acid pollution of large cities down to the level in advanced countries and will intensify the restriction of dust and motor pollution.

Assemblymen:

House prices are stabilizing since the new government undertook a strong policy to eradicate speculative investment in real estate after its inauguration. An end users-oriented, sound house-supplying order is being fixed in our society. We, however, are short of housing in terms of absolute quantity. The government plans to build 500,000 to 600,000 houses per year until 1998.

While giving more weight to building small houses and rental houses, the government will give preference to the homeless masses. Under its long-term housing policy of leaving the house-supplying work to private hands, the government will actively support private enterprises' construction of rental houses and will drastically ease various housing restrictions.

To draw up various policies to support weak classes, including low-income classes, handicapped persons, and old people is another task the government must concentrate efforts to carry out. The government will actively prepare conditions necessary for stable life, self-reliance, and self-support of vulnerable classes, which are apt to be isolated, by securing a medical insurance system for all the people, a national pension system, and other social welfare systems.

By elevating the level of livelihood protection for low-income people year by year and by expanding self-support facilities and accommodation for handicapped people, the government will assist their social activities.

At the same time, the government will constantly increase its support to men of merit and their bereaved families. It will continue enshrinement of martyrs' remains to upsurge the national spirit and will locate and reward unknown meritorious people who contributed to national independence.

In preparation for the age with more old people, the government will allow private enterprises and individuals to operate welfare facilities for old people, which have been operated only by social welfare corporations.

The government will increase public health and medical facilities, promote the building of a National Cancer Center and a special hospital for drug addicts, and draw up new laws for the protection of mental patients.

The revision of the law regarding pharmacists has been discussed. The government has made various efforts to prepare a reasonable method to revise the law, from the position that considerations must be given to the people's right to health before everything else. I think the recently presented revised draft law regarding pharmacists is a method prepared based on a broad range of

collected opinions from various circles, under the principle that the Oriental medical circle, like Western physicians, be specialized after necessary preparatory work.

Assemblymen:

In the atmosphere in which the new government was fulfilling reforms and trying to share national sufferings, labor and management agreed to an optimum level of wage increase this year, thus providing a good momentum in stabilizing labor-management relations. I regret, however, that long-lasting labor-management conflicts in some companies have dealt our economy a deadly blow just as it was starting to be reinvigorated after a long time.

The government will focus its labor policy on establishing new labor-management relations, in which labor and management cooperate with each other in rehabilitating our industries' competitive strength on the basis of self-regulation and responsibility.

The government will make more efforts to improve the labor management of enterprises; to expand a welfare policy for workers; and to improve a working environment, thus laying the groundwork for the trust between workers and owners and rationalizing the wage system.

The government will positively deal with the fluctuation of employment according to the high growth of industry and coordination of the industrial structure in the future. Also, it will operate the systematic job training centers and strengthen their functions for employment to settle the problem of manpower shortage in the medium- and small-sized manufacturing companies. Along with this, it will sincerely prepare to adopt an employment insurance system—which will be a great turning point for the stability of employment and for the smooth supply of manpower—so that it can be surely enacted in 1995. The government will continue to expand a policy of encouraging technicians so that we can build a society in which technicians are respected.

Next, I will tell you about the educational and cultural sectors. We must prepare ourselves for the future and make it bright through education. Under the situation in which international competition is more sharp with each passing day, education is a driving force that enables us to achieve the prosperity and development of the country and to enjoy our life.

Based on the people's high sense of educational enthusiasm, we have rapidly developed our education. Nevertheless, we have many problems, such as a carelessness in regard to our education on humanity because of the educational system of the college entrance examination and the lack of spirit of self-reliance and creativity.

Now, our people should no longer suffer pains because of education. It must be an education that enables our people to design their future with a bright dream and hope.

During my term in office, I will carry out educational reform by placing emphasis on carrying out a humanistic education for the building of democratic citizens and on achieving a competent education that can enable us to prepare for the future society.

First of all, the government will strengthen the basic education on community in elementary and secondary education to foster the power of scientific thought. Also, it will concentrate efforts on making the people cherish a consciousness as democratic citizens by promoting their cooperation, service, and law-abiding spirit.

Based on this human education, the government will make educational efforts to foster the creative mankind by properly carrying out science and job technology education.

The government will increase the self-regulation of the universities and, also, strengthen the sense of their responsibility for it. As a result, it will lead them to enhance the standard of their quality to be competitive in international community.

The government will make efforts to foster and develop the private universities so that their self-control and independence can be strengthened, thus providing more financial assistance to the private universities—which have greatly contributed to our educational development—and minimizing the administrative interference and regulation.

The most important factor that determines the educational quality is teachers and professors directly responsible for the education. The government will make efforts to provide more financial assistance to teachers and to create an atmosphere in which teachers love students and, also, students respect teachers.

The problem of the dismissed teachers of the National Teachers' Union, which has been a heavy issue over the past four years, is about to be solved. I think that it is very fortunate. Now, the majority of the dismissed teachers, in responding to the government's policy, have decided to withdraw from the National Teachers' Union. As a result, they have come to teach students at schools with the beginning of the first semester of next year. I think, therefore, that a great opportunity will be provided to maintain the stability and harmony in the educational circle and to regain a trust from the people concerning education. Assemblymen, it is now the time to concentrate efforts on the work of strongly building the cultural foundations of our country based on the promotion of our sound spiritual culture. For this end, first of all, we must establish national legitimacy and carry out the work of achieving national unity.

According to this policy, the government recently enshrined the remains of key figures of the Shanghai Provisional Government at the national cemetery. In a bid to liquidate the unhappy national history of the past, the government also decided to pull down the Korean

Government-General building, which is a symbol of the era of the Japanese imperial colonial rule.

The government will continually expand cultural facilities, including museums and libraries, so that all the people can have easier access to and enjoy culture and arts in their daily life. The government will also create a rich and sound cultural environment by deploying in a balanced manner all kinds of cultural facilities by areas.

Bracing for the information era of the 21st century, the government will introduce new media, including integrated cable television broadcasting and regional civilian broadcasting systems, so that it can provide the people with diverse information.

When the new government was inaugurated, I appointed three women ministers of three ministries, thus expressing my firm will to improve women's positions. I will enforce the policies for helping women advance into society and enabling them to more extensively participate in all kinds of social activities in conformity with the developing social trend.

Honorable national assemblymen:

The new government is concentrating all its efforts on renovating administration in order to make a small but clean and efficient government. With the inauguration of the government, I have been making efforts to boldly get rid of the inconveniences and burdens of the people and eradicate the possibilities of irregularities and corruption by establishing the committee for renovating the administration.

I am opening my ears wide to listen to a broad range of voices from the people by establishing the window for suggestions by the people so that the people, above all, can personally participate in renovating the administration.

I have chosen a total of 1,800 tasks that require improvement in a bid to remove inconveniences pertaining to the people's life and to give vitality to businesses' activities, and I am pushing ahead with the improvement on those tasks.

The government will also concentrate its efforts on rooting out crimes, which infringe upon the people's life, including felonious crimes, and on banishing illegalities and disorder of the lowest stratum of society in order to build a healthy society. The government, in particular, will not tolerate illegal acts of the group which is trying to gain the interest of a group by resorting to the strength of majority, and will toughly handle this kind of act.

In order for us to build a clean society dominated by high morals, the reform of consciousness, under which everyone is making efforts to observe law and order on their own, should be made ultimately although the government's will to stringently enforce laws is important. As an example, even the grand national land cleaning movement, which is now underway on a pangovernmental and pan-national dimension, can be

successfully staged only when the movement is supported by our reform of consciousness and its practice.

We hope that with the beginning of this grand national land cleaning movement, the movement of the people's consciousness reform will develop into a sound civilian movement for democracy, including preservation of environment and establishment of street order.

Honorable national assemblymen:

The size of the general account of the budget proposal for next year, which was prepared in order to execute the aforementioned policies, amounts to 43.25 trillion Korean Won [\$54 billion]. This figure represents a 13.7 percent increase when compared with that of this year's budget.

The bill on next year's state budget is the new government's first budget bill. This bill includes the will of reform to strengthen the national competitiveness and improve the people's living standard. Revenue conditions this year are difficult compared with last year. By turning the special oil consumption tax into a purpose tax, managing public funds on an overall base, and boldly reforming the existing financial systems, and arranging funds of all kinds, including special finance, the government will secure next year's state budget.

In particular, the government has decided to use all funds, which will come by turning the special oil consumption tax into a purpose tax, for expanding social overhead capital, including road, subway, and harbor facilities.

In addition, the government has decided to fully support the domains for strengthening the national growth potentials, including the policy for supporting science-technology development and small- and medium-sized enterprises. The government has also decided to support the domains for improving the structure of farming and fishing villages, the domains for developing locals in a balanced way, and the domains for improving environment. The government has also laid emphasis on improving the treatment of middle- and low-level public servants.

Respected House Speaker and members of the National Assembly:

We are in a common fate on the same boat called the ROK. We have begun an historic sail for the creation of a new ROK. The entirety of our fellow countrymen should be one through single-hearted unity. Let us lighten a sea route of hope by upholding the torch of change, reform, and advance.

I have consolidated my obligation to overcome any tribulation and challenge and to stand in the vanguard of our great fellow countrymen. Let us all, by pooling our strength, construct a proud country, which is brilliant in the center of world history. By so doing, let us hand down our proud country to our descendants.

Thank you for listening to my speech.

[Dated] 25 October 1993

[Signed] President Kim Yong-sam

Opposition Wants Nuclear Policy Revised

SK2310020693 Seoul THE KOREA HERALD in English 23 Oct 93 p 2

[Text] An opposition lawmaker yesterday called for revision of the 1991 declaration on denuclearization of the Korean Peninsula so that South Korea may establish reprocessing and uranium-enriching facilities.

For the sake of peaceful and economic use of a nuclear energy, South Korea should not give up reprocessing and enriching facilities, said Rep. Pak Chan-chong, leader of the splinter Party for Political Reform.

Pak pointed that the South-North joint declaration for nuclear-free Korean Peninsula, which was signed by Seoul and Pyongyang in late 1991 under the rule of former President No Tae-u, had already become virtually invalid due to North Korea's effort to develop nuclear weapons.

Pak was echoing an earlier remark made by Kim Si-chung, minister of science and technology. Minister Kim last week said he was ready to recommend that President Kim Yong-sam revise the joint declaration of denuclearization, adding that he agreed to the need for the nation to possess reprocessing facilities for peaceful and efficient use of nuclear energy. Minister Kim's remark, however, did not receive support from President Kim.

Rep. Pak made the points during the National Assembly Foreign Affairs-National Unification Committee's annual inspection of the National Unification Board (NUB).

The committee Pak sits on was one of the 11 parliamentary standing committees conducting a 20-day annual inspection of the administration that ends today.

Pak and several other committee lawmakers of rival political parties also called on the government to map out measures so that South Korea can gain a greater role in settling the North Korean nuclear program.

Reps. Yi Pu-yong, Cho Sun-sung and Yi U-chong of the opposition Democratic Party (DP) demanded that the issue of North Korean nuclear program be solved primarily through dialogue between South and North. They complained that Seoul was just relying on the dialogue between Pyongyang and Washington.

Rep. Yi Pu-yong suggested a halt of the Team Spirit, the annual South Korea-U.S. joint military exercise, to help break the deadlock in inter-Korea dialogue. North Korea has consistently been calling for the halt of Team Spirit. But Seoul and Washington have agreed to continue Team Spirit unless North Korea drops nuclear program.

Rep. Pak Chong-su of the ruling Democratic Liberal Party (DLP) suggested that the government prepare a three-way discussion among Seoul, Pyongyang and Washington to help settle pending issues, including North Korea's quest for nuclear weapons.

In other issues, the National Assembly Legislation-Judiciary Committee heard testimony from Kwon Yong-ho, younger brother of Defense Minister Kwon Yong-hae, who is suspected of having received 50 million won from a defense contractor. Kwon reportedly returned the money after the Board of Audit and Inspection (BAI) started its probe into Yulgok Project.

The Defense Committee had called for testimony of former Defense Minister Yi Chong-ku on the irregularities in the Yulgok arms procurement program. Yi, who had previously refused to testify, is presently in jail for bribery.

In the Transportation-Communications Committee, Rep. Yi Yun-su of the DP alleged that the Agency for National Security Planning (NSP) was still tapping phone calls illegally.

He said the NSP headquarters had equipment which can tap all the telephone calls in the nation, adding that a Korea Telecom official had confirmed the information.

The Construction Committee, probing the Peace Dam construction in 1987-1988 under the rule of ex-President Chon Tu-hwan, heard testimony from chief executive officers from two of the eight construction firms which participated in the dam construction.

Panel lawmakers grilled them, demanding to know why their firms were selected to build the dam and whether they gave "political money" to the Chon government.

The National Assembly, which opened a 100-day regular session Sept. 10, ends a 20-day inspection of the administration today. Six of the sixteen National Assembly standing committees are to continue inspections.

The National Assembly is to hear a policy speech from Prime Minister Hwang In-song Monday and keynote speeches from ruling DLP Chairman Kim Chong-pil and DP leader Yi Ki-tae Tuesday and Wednesday, respectively, in plenary sessions. Interpellation sessions will follow.

Legislator's Remark Said To Widen Rift in DLP

SK2310074593 Seoul YONHAP in English 0628 GMT
23 Oct 93

[Text] Seoul, Oct. 23 (YONHAP)—A rift between two factions within the ruling Democratic Liberal Party [DLP] appears to be widening as Rep. Yu Sung-hwan refuses to retract his disparaging remarks about the political background of Rep. Kim Yun-hwan.

Yu, who belongs to the faction led by President Kim Yong-sam that comprises members of Kim's former

opposition Reunification Democratic Party, sowed the seed of discord when he publicly said that the political career of Rep. Kim Yun-hwan was highlighted by his services to the dictatorial governments of the past.

Kim was chief presidential secretary and secretary-general of the ruling party, among other things, during the administrations of Army generals-turned-presidents Chon Tu-hwan and No Tae-u. He is a prominent member of the DLP faction that is populated by former members of the Democratic Justice Party, founded by Chon and later headed by No.

The DLP was formed in February 1990 through a three-party merger and factional discords persist, especially between the Reunification Democratic and Democratic Justice factions.

Reacting sharply to Yu's remark, the DJP faction demanded a retraction as the party leadership took pains to smother the flames of discord.

DLP leaders tried to calm angry members of the DJP faction by telling them that Yu's was a casual remark and he had no hidden motive. They also tried to pressure Yu to retract his statement and even President Kim reportedly rebuked Yu for making such a remark. But Yu refuses to submit to the pressure. Instead, he made another public statement saying that there was no change in his view of Rep. Kim Yun-hwan.

Incensed at that development, the DJP faction expressed strong dissatisfaction and said that Yu could not be making the remarks on his own, and that they were being made to discredit Rep. Kim.

Although the immediate target of Yu's disparaging statement was Kim, many other DJP faction leaders have a similar political background.

This explains why Kim's colleagues were particularly upset by Yu's remark. They include Yi Chun-ku, a former DLP secretary-general, and Yi Han-tong, who once sought the party's nomination for president. They all feel that the sights of the attacks by Yu and other members of the RDP faction will shift to them sooner or later.

Some Democratic Republican Party faction members believe that Yu volunteered to be a hatchet man for the RDP faction as the ruling party began to prepare for restructuring toward the end of this year or early next year and there is a possibility the DJP faction could grab control at that time.

Yu's remark could be a containment strike against the still powerful, numerically superior DJP faction, they say.

There had been rumors within the RDP faction that Kim Yun-hwan had been tapped for chairman of the party or prime minister and many in the faction have said he has to be stopped at any cost.

Yu could be making waves against Kim Yun-hwan at the behest of a possible competitor in the RDP faction for party chairman, some DJP faction members say.

Top DLP leaders, meanwhile, are trying hard to downplay the significance of Yu's remark, especially because it could work adversely at a time when the party is expected to submit a motion at the National Assembly seeking the release of two DLP lawmakers—Pak Chol-on and Kim Chong-in—who were tried or being tried for accepting bribes.

If the RDP faction continues to try to alienate the DJP faction, the latter could become a disruptive force within the ruling party, analysts say.

Rep. Kim Pong-cho, a relative of President Kim, denounced Yu and urged the DJP faction not to take Yu's remark as representing the entire RDP faction.

Rep. Hwang Myong-su, secretary general of the DLP, also said, "We (the RDP faction) believe it does not matter who becomes DLP chairman."

Despite all these mediating efforts, it is difficult to predict at the moment if Yu's remark is going to end as a "one-time happening" or blow up into a full-scale factional fight in the ruling party.

Plan Unveiled To Prevent Hostile Takeovers

SK2410041793 Seoul *THE KOREA TIMES* in English
24 Oct 93 p 9

[Text] Finance Minister Hong Chae-hyong yesterday unveiled a plan to prevent financial institutions affiliated with major industrial conglomerates from launching a hostile takeover of other companies listed on the stock exchange. He said they will be barred from holding more than 5 percent of common stocks with voting rights in a listed company, down from the current 10 percent ceiling.

From tomorrow through June 30 next year, they must trim their equities in listed companies below 5 percent. Monthly reports on their acquisition of shares of listed companies to regulators. Currently, they are required to submit "quarterly reports" whenever they buy more than a 5 percent share of a listed company or increase their existing shareholding by more than 1 percent.

When conglomerates buy more than 5 percent of a listed company's shares, they must specify which subsidiaries hold what percentage of the shares of the company, he said.

The rule is regarded as an institutional device to prevent subsidiaries of big business groups from colluding among themselves to take over a specific listed company.

The plan put a lid on the recent feud between the Samsung group and Kia Motors Corp. Three subsidiaries of the Samsung group, including Samsung Life Insurance, secretly purchased up to 9.6 percent of Kia shares

from June through September. Kia argued that Samsung is seeking to take it over through a hostile bid although Samsung repeatedly denied the allegation.

The MOF [Ministry of Finance] plan is a clear indication that the government will not permit conglomerates to go on an unscrupulous corporate hunts by using their financial subsidiaries.

Hong said mergers and acquisitions (M & A) through mutual agreement or tender offers is desirable for the sound development of the capital market and improving the health of companies, but added that hostile takeovers have no place in Korea.

He said M & A's through friendly negotiations or tender offers serve to rationalizing corporate management and help firms diversify their business lines and strengthen their international competitive edge.

Hong said it is also undesirable to prevent even financial institutions not affiliated with conglomerates from exercising voting rights in listed firms into which they have equities stakes.

The action may infringe upon the universal equal rights of all shareholders and weaken the surveillance role of investors in listed companies' management, he said.

As a way of strengthening the role of institutional investors in the stock market, he said, financial institutions not linked to conglomerates can buy up to 10 percent of a listed company's common stocks.

Insurance companies, merchant banks and short-term finance firms affiliated with major conglomerate can also buy up to 10 percent of a listed firm's shares. But the maximum common stock holdings will be limited to 5 percent and they can buy up to an additional 5 percent of preferred stocks that have no voting rights.

This means that a financial subsidiary of an industrial conglomerate will not be able to control more than 5 percent of any listed company.

The current Fair Trade and Anti-Monopoly Act bars financial institutions affiliated with major conglomerates from exercising voting rights in their sister companies, he added.

Hong said, however, that the government will revise SEA Article 200 to lift the ban on non-founding members from becoming largest shareholders by buying shares on the exchange.

Under SEA Article 200, no investor can buy more than 10 percent of a single company's shares or become its largest shareholder.

The code, introduced in the 1970s, was intended to help as many firms as possible go public. But major shareholders have abused the rule to generate excessive capital gains and prevented general investors from freely trading stocks.

Due to Article 200, the MOF judged, major shareholders were lukewarm in rationalizing their management as they are overly protected from outside take-over bids.

Even if the code is abolished, there are institutional mechanisms that will protect management from hostile takeover bids, he said.

Industry Said To Adapt Well to Real-Name System

SK2210014493 Seoul YONHAP in English 0122 GMT
22 Oct 93

[Text] Seoul, Oct. 22 (YONHAP)—The captains of Korean industry say they have adapted to using real names for financial transactions better than expected and hope economic policy will now focus on stimulation of the economy, according to a survey by the Industrial Research Institute (IRI) released Friday. IRI polled the 150 leaders of 84 large and 66 small- and medium-sized companies about the business situation after the two-month grace period to transfer bank accounts into real names. It said 76.7 percent reported that their companies had adapted to the system more smoothly than expected.

A majority of 52.7 percent said sales in August-October made little improvement from last year, but as 42.7 percent and 52 percent saw slight and no impact, respectively, by the real-name system, the sluggish sales were probably caused by the recession, IRI said.

As ill effects of the real-name system, 27.3 percent named difficulty finding working funds and 16.7 percent faced trouble organizing investment funds.

Optimism was reflected in the 73.3 percent who predicted that tight money situation would be no trouble in the future, while just 18 percent feared matters will get worse.

IRI saw industry gradually getting over its initial shock at implementation of the real-name system as cash transactions have soared from an average 50 percent before the system to 90 percent immediately after and 70 percent after the deadline for shifting to real names.

The size of un-recorded transactions conducted without official documents was reduced to between 20 percent and 30 percent of the number prior to introduction of the real-name system.

Maritime Institute Releases Report on Shipping

SK2310042293 Seoul YONHAP in English 0226 GMT
23 Oct 93

[Text] Seoul, Oct. 23 (YONHAP)—South Korea could be one of the world's 10 largest shipping countries in 1998, according to a Korea Maritime Institute [KMI] report released Saturday.

If the government supports the shipping industry actively for five years, Korea will have 12.89 million tons of ships in early 1998 and be among the 10 largest shipping countries, it says.

As of the end of 1992, Korea had 8.9 million tons of ships and ranked 14th.

Container ships will be 2.86 million tons in 1998, fifth place, up from 1.9 million tons at the end of 1992.

Cargo volume hit 285 million tons last year and will grow 6.3 percent annually on average to 387 million tons in 1998.

The report says that its forecast requires 4.15 trillion won (5. 13 billion U.S. dollars) of expenditure for projects to expand port facilities for the next five years.

If the trans-Siberian and trans-China railroads are connected to a rail link between Pusan in South Korea and Sinuiju in North Korea, the Korean peninsula will be a sea and land transportation hub in the Pacific region, the KMI report says.

Ban on Foreign Commercial Loans To Continue

SK2410012893 Seoul THE KOREA HERALD in English 24 Oct 93 p 8

[Text] The government will continue to ban private enterprises from introducing commercial loans from abroad until 1996 or 1997, the Ministry of Finance said yesterday. Instead, it will allow businesses to attain more foreign currency-denominated loans and expand the issuance of overseas securities in a bid to help them secure foreign currency needed for facility investment.

The details of the ministry measures to facilitate the mobilization of foreign currency by enterprises will be worked out by the end of the month, the ministry said. These actions came at a meeting of ministers from the Economic Planning Board, the Ministry of Finance, the Ministry of Trade, Industry and Energy, and other economy-related ministries, Thursday.

In a related development, Minister of Finance Hong Chae-hyong said Friday at the National Assembly that the ministry has a plan to permit the introduction of foreign commercial loans by private enterprises, considering the gap between domestic and foreign interest rates and the deregulation pace of the Korean capital market.

"The timing of the approval for the introduction of foreign commercial loans may be sometime between 1996 and 1997 by the way things look now," he said in an answer to questions raised by lawmakers at the National Assembly.

Since 1986 when the country's current account shifted to a surplus from a deficit, the government has prohibited private companies from attracting commercial loans from abroad.

The state-run Korea Electric Power Corp. (KEPCO) was the sole Korean company to introduce foreign commercial loans during the past seven years.

Loss of Ground in Export Earnings Continues

SK2410035393 Seoul THE KOREA TIMES in English
24 Oct 93 p 8

[Text] Korea, along with Taiwan, had the poorest export showing among the four newly-industrializing economies (NIEs) in the first half of this year. Korea continues to lose ground in such major overseas markets as the U.S., Japan and the European Community due to deteriorating price competitiveness affected by high labor costs and lack of technology development.

Taiwan's export growth in the first six months was the lowest with 5 percent on a year-to-year basis, followed by Korea with 6.4 percent, according to a report released yesterday by the Korea Trade Promotion Corp. (KOTRA).

Hong Kong had the highest growth at 15.1 percent and Singapore had 13 percent. Hong Kong was the largest exporter among the four Asian dragons with \$61.4 billion, followed by Taiwan with \$41.9 billion, Korea with \$39.1 billion and Singapore with \$35.2 billion, according to KOTRA.

Korea had a 2.1 percent share of the global market last year, a decline from the 2.14 percent in 1989.

Taiwan also recorded a fall in its share to 2.23 percent last year from 2.27 percent in 1989.

On the other hand, Hong Kong's share stood at 3.27 percent last year, up from the 2.51 percent share three years ago. Singapore's share also inched up to 1.74 percent from 1.53 percent in 1989.

KOTRA analyzed that this disparaging trend among the four major developing economies resulted from factors affecting wages, productivity, interest rates, financial burdens, prices and foreign exchanges in each country. But KOTRA attributed the overriding reason to each country's strategies over how to sharpen its global competitiveness.

Burma**Singapore Deports Karen Rebel Foreign Spokesman**

*BK2310100493 London BBC in Burmese to Burma
1345 GMT 22 Oct 93*

[Text] Dear listeners: The Singaporean authorities have denied entry to a leader of the Karen rebel organization who represents the largest ethnic minority group by accusing him of attempting to go to the United Nations with a bogus passport. They then sent him back to Thailand. Dr. M. Martha, foreign affairs spokesman of the KNU [Karen National Union], was arrested aboard a flight to New York by Singapore airport police on Thursday [21 October] evening. Larry Jaegen reports on this matter.

The Singaporean authorities detained Dr. Martha for one night and sent him back to Bangkok, and the Thai immigration officials have allowed Dr. Martha to enter Thailand. At first, there were concerns that he might be sent back to Rangoon. During a telephone interview with Dr. Martha by the BBC, he said that while in custody, he was worried about being sent back to Rangoon. He said he clearly told the Singaporean authorities that he does not want to be sent back to Rangoon and told them to send him back to Bangkok.

About two months ago, Singaporean authorities detained 11 Burmese seamen at Changi airport who were on their way to Thailand from Australia. They were heading to Thailand after having worked on one of the Greek ocean liners and after having won a case concerning their wages in Australia. In accordance with the instructions of Burmese Embassy officials, they were sent back to Burma. After a protest by Australian authorities on this matter and wide coverage in the news media, Singapore's Interior Ministry conducted an investigation. The observers believed that due to the aforementioned incident, the Singaporean authorities sent Dr. Martha back to Bangkok.

Dr. Martha was detained while he was on his way to join Dr. Sein Win, head of the parallel government founded by the elected parliamentarians who fled to Thai-Burmese border three years ago, and other opposition leaders at the United Nations. The representatives of the Burmese opposition and political movements are in New York to discuss and present matters concerning the transfer of power to the NLD [National League for Democracy], which won a landslide victory in the May 1990 general election; the continued detention of Daw Aung Suu Kyi [by the State Law and Order Restoration Council]; and the imposition of a trade and arms embargo on Burma due to its bad human rights record, at the UN General Assembly.

The Burmese Government, which is concerned about the UN General Assembly, has pressured neighboring countries to prevent the opposition political leaders from traveling to New York. According to an opposition

source in Bangkok, the Burmese authorities were involved behind the scenes in disrupting Dr. Martha's visit to the United Nations. The Burmese Government has placed Dr. Martha on a blacklist of people who carry bogus passports. Larry Jaegen said Dr. Martha told the BBC that he wants to go to the United Nations but he is now physically and mentally tired due to the incident in Singapore.

BBC Interviews Karen Rebel Leader Bo Mya

*BK2410133193 London BBC in Burmese to Burma
1345 GMT 23 Oct 93*

[Telephone interview with General Bo Mya, chairman of the Democratic Alliance of Burma and the Karen National Union, by station correspondent U Aung Myint Tun in London on 22 October—recorded]

[Text] [Correspondent] Sir. General Mya.

[Mya] Yes.

[Correspondent] We have learned that you are in London so I would like to ask some questions. We have heard in the news that Singapore's authorities have sent Dr. M. Martha back to Bangkok, Thailand for traveling under a bogus passport. Do you know about this, and what would you like to say on this matter?

[Mya] I don't know about this. I only learned about it when you told me.

[Correspondent] What would you like to say about this bogus passport matter?

[Mya] I don't think the passport is fake. I know it is not a fake passport. It is not a fake passport.

[Correspondent] Now that they have sent Dr. M. Martha back to Thailand, what will happen next?

[Mya] I can't say now. [Words indistinct] look into the matter. I can't say anything now.

[Correspondent] When did you arrive in London, and what is the purpose of your visit?

[Mya] I arrived here this morning. The purpose of the visit is to get some international access because the State Law and Order Restoration Council [SLORC] is torturing the people in Burma and, as far as we are concerned, the SLORC is deceiving the international community by sending its delegations abroad.

[Correspondent] Yes. By the way, how are they deceiving the international community?

[Mya] They lied that their National Convention is fair and just; but we know that their National Convention is not genuinely fair and just. The SLORC is doing things in this way to strengthen its military power.

[Correspondent] How long are you planning to stay here?

[Mya] I don't know yet.

[Correspondent] Where do you plan to travel from here?

[Mya] I am thinking about going to [name indistinct]. Germany.

[Correspondent] It means from here to Germany and then back home, doesn't it?

[Mya] Yes, yes.

[Correspondent] We have learned that not long ago the Democratic Alliance of Burma [DAB] held a conference. What was the outcome of the last conference.

[Mya] The last conference was about the Kachins.

[Correspondent] We have learned from other sources about the DAB's decisions and views on the Kachin Independence Organization [KIO] holding talks with the SLORC. We would also like to hear from you. What do you want to say on the negotiations and talks between the KIO and the SLORC, and a cease-fire agreement between the two parties?

[Mya] The enemy [SLORC] also mentioned this. The enemy said the Kachins have cooperated with the SLORC and peace prevails in the Kachin State. We believe it is true, but the peace mentioned by the enemy, in our view, has yet to be achieved. The enemy's plan is to divide and destroy the DAB and mold things in its own way; it is not meant for internal peace.

[Correspondent] Yes. Then it is true that the SLORC negotiated and held talks with the KIO.

[Mya] Yes.

[Correspondent] Is it true that the SLORC and the KIO have reached a cease-fire agreement?

[Mya] I believe it is true because the enemy has also mentioned it. The Kachins always lie to us; they don't speak honestly.

[Correspondent] Yes. The KIO have issued a statement saying that they are still negotiating with the SLORC and no such agreement has been reached yet.

[Mya] The Kachins don't speak honestly to us; they always lie to us. Before the BBC carried this news, we had also learned about this matter and asked them whether they were holding talks with the SLORC and they said they were not holding talks with the enemy. They only told us about holding talks with the SLORC when they could no longer hide the truth.

[Correspondent] Did you believe them?

[Mya] Yes, I did because they said they held talks with the enemy.

[Correspondent] Yes. Do you also believe that they have reached a military agreement?

[Mya] Yes, they have reached an agreement. Their agreement is like surrendering to the SLORC. Their cease-fire agreement (?is like a method of surrendering to the SLORC.)

[Correspondent] So the DAB and the Karen National Union [KNU] plan to hold talks with the SLORC in the future?

[Mya] We, the DAB and the KNU, will accept the holding of talks with the SLORC if it is for real internal peace. However, the SLORC never works for real internal peace. The SLORC is deceiving the people and trying to strengthen its dictatorial power. If the SLORC wants to work for internal peace it has to renounce its dictatorship. We want to build an internal peace that will lead to eternal unity and peace. For our DAB [words indistinct]. To restore the true internal peace, we demand that the SLORC announce to the world about the holding of talks; as in 1963 the talks should be held in a foreign country and UN representatives should be allowed to attend.

[Correspondent] How did the SLORC respond to the demands?

[Mya] The SLORC didn't respond to them at all.

[Correspondent] Is there any plan for the KNU to hold talks with the SLORC separately? If so, when?

[Mya] The KNU will not hold separate talks with the SLORC. The KNU will follow the principles of the DAB. The internal peace will never be achieved if the KNU and the SLORC only hold talks. We believe that internal peace will be achieved if all the revolutionary and political organizations participate in the talks.

[Correspondent] Let me ask you this question. According to reports, the SLORC's military strength is about 300,000 soldiers. Do you expect to win the battle with SLORC's troops when both sides confront each other?

[Mya] Yes, they have more troops, but from the revolutionary point of view you will never lose if you don't give up. The revolution will succeed gradually because we are on the righteous side. The SLORC is always suppressing and abusing the public and we are on the people's side. However big the strength of SLORC's military power may be, it cannot crush our revolution. We fully believe that we can resist and survive. They have been crushing our revolution for 44 years but we have resisted and are still surviving even though we don't receive any foreign aid. Although the SLORC receives aid from foreign countries, they cannot uproot us. We will stand on the righteous side and we will continue to survive for the unity of all the national races in the country. We will not collaborate with the dictators. If the SLORC give up its dictatorship we can forgive the SLORC for its wrongdoings; we will not hold grudges.

[Correspondent] Thank you.

[Mya] Thank you.

Cambodia**Ranariddh Message Commemorates Paris Pact**

BK2510042193 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1300 GMT 23 Oct 93

[Message from Prince Kromluong Norodom Ranariddh, first prime minister of the Royal National Government of Cambodia, on the Second Anniversary of the Paris Peace Accord; dated 23 October—recorded]

[Text] I would like to pay my respects to all Buddhist monks for whom I have respectful and thoughtful sentiments. I would also like to salute all grandfathers, grandmothers, brothers, sisters, and youths [words indistinct].

On the commemoration of the second anniversary of the Paris 23 October 1991 peace accord on Cambodia, on behalf of Second Prime Minister His Excellency [H.E.] Hun Sen and the Royal National Government of Cambodia [RNGC], I, Norodom Ranariddh—the first prime minister of the RNGC—am very pleased and greatly honored to convey, through the media, this special message to all the Buddhist monks and compatriots. On behalf of our entire Cambodian people, I would like to express deepest gratitude to the entire international community: the United Nations; H.E. Yasushi Akashi, special envoy of the excellency the UN Secretary General; H.E. General John Sanderson; and all UN Transitional Authority in Cambodia [UNTAC] staff for their all-out efforts, financial assistance, time, and, especially, all the sacrifices, including their own lives, they made to help the Cambodian people, enabling them to determine their own future through the UN-organized elections. We, Cambodians, can never forget the endeavor and good deeds of the international community.

I would like to take this opportunity to declare, as I already did at the recent UN Security Council session, to the national and international communities that the UN's successful mission in Cambodia [words indistinct] is to save the country, thereby restoring to it peace, freedom, honor, dignity, independence, sovereignty, and territorial integrity. The enormous sacrifice of funds, forces, and lives made by the international community was an important factor that brought it success. However, this success also depended on the second important factor—the willingness of the entire Cambodian people to salvage their country and nation. In this context, nearly 90 percent of honorable and commendable Cambodians resolutely fulfilled their duties and obligations by cooperating with UNTAC and by taking part in the elections despite of all manner of obstacles and difficulties. This fulfillment was praised worldwide because the 90 percent turnout was overwhelmingly democratic. Also, in this context His Majesty Norodom Sihanouk Varaman, our revered King Father, had unceasingly

cooperated with and firmly supported the United Nations, UNTAC, Yasushi Akashi, and John Sanderson. This is the second important factor. Somehow, we also needed the important third factor, that is, the determination of all Cambodian political parties, including the Cambodian People's Party [CPP] and the National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia [FUNCINPEC] Party—we should never forget the Buddhist Liberal Democratic Party [BLDP], Moulinaka, and all other Cambodian parties—to ignore all their past conflicts and differences, especially after the elections. They have united closely in compliance with the most correct royal advice of the sacred King Father, who has unified all patriotic Cambodians [words indistinct], motivating them to place national interests above those of their groups, parties, and clans and individual ones. This is the one important factor we have above other countries such as Somalia, Afghanistan, Angola [word indistinct]. The United Nations has not been able to achieve success in those countries because they lack the second and third factors. In so saying, I has no intention of underestimating the results of the implementation of the Paris accord. I just want to recall the important and basic factors that have brought success to the execution of the Paris accord in our Cambodia.

I am greatly honored to inform all of you that after the mission of the Kingdom of Cambodia's delegation led by H.E. Hun Sen and I to the 48th UN General Assembly in New York in keeping with the advice and order of His Majesty King Norodom Sihanouk and after our participation in a UN Security Council session, the United Nations [words indistinct] the UN Security Council has adopted a resolution supporting the RNGC's request. The UN Security Council has decided:

1. To set up a UN office in our Cambodia called [word indistinct] UN office.
2. To continue the operations of UN agencies such as the UNDP [UN Development Program]—an organization for reconstruction—UNESCO, World Food Program, (?UN Food and Agriculture Organization), and so on, whose assistance is most needed for the reconstruction and rehabilitation of our Cambodian nation, which has systematically been devastated for more than 23 years.
3. To leave the UN Human Rights Office in Cambodia. We badly need the presence of this office because for many years Cambodians have been victims of human rights violation. Our Constitution has paid great attention to the human rights issue in Cambodia. However, if respect for human rights are only written on the paper, it will not fully guarantee human rights in our country. The UN considers this issue to be very important.

I would also like to inform that just now, a UN delegation met with me to discuss the human rights issue. It handed over to me, as I am the first prime minister of the RNGC, a letter [words indistinct] our Cambodia is a

signatory to those (?international) agreements. Moreover, the delegation asked me whether we need it to help organize (?courses) on human rights. It wanted to know about codifying, within the framework of the Justice Ministry, laws that conform to agreements, treaties, or convention on human rights. It also asked us to introduce courses on human rights for primary and secondary schools. [Passage indistinct]. I would also like to say that we plan to create a relevant human rights committee within the framework of Parliament.

4. That the UN will continue to assist us in clearing the three million mines nationwide. The mines are a danger not only to the land we need for farming at present but also to the future of Cambodia. As we are poor, we have asked the UN and friendly wealthy countries that sympathize with us to give us financial, material, and technical assistance to enable us to continue the mine clearing operation.

The last controversial issue is the RNGC's request for unarmed military observers in Cambodia. Now, the proposal is to station 20 observers in the country for a transition period of six months. We have made this request because we believe our people will probably feel insecure after the departure of the overwhelming number of UN forces. As all of you know, Cambodia is still not completely safe.

The Khmer Rouge is another problem we are still unable to solve. This issue is complicated and involves a country which is also a signatory to the October 23 Paris accord. Therefore, we need international military observers to act as the UN's eyes and ears. The accord has allowed us to ask the Paris conference cochairmen to help us solve all kinds of security problems and the issue of Cambodia's independence, sovereignty, and territorial integrity. According to Part 3 of the accord, our country can lodge a protest with the UN Security Council. For this reason, we believe it is necessary to have military observers, who are the eyes and ears of the UN, UN Security Council, and UN secretary general. Also, we should not forget that the accord has clearly defined Cambodia's independence, sovereignty, and territorial integrity. In the future, we will have problems concerning the survival of our nation. Therefore, we need UN observers.

We should accept this result with the deepest gratification and gratitude as the UN, that is, the international community, are determined to help us not only to defend Cambodia's independence and sovereignty but also to rebuild and rehabilitate it economically and socially. Somehow, Cambodians should all the same help ourselves. It is impossible for us to depend too much on the international community. In the Sangkum Reas Niyum era, there was a motto saying Cambodians should help themselves.

It is true that we are poor and we need and accept aid with gratitude. However, we will always need the three factors I mentioned above to help us rebuild and develop

our nation in all fields. So, what is important is that Cambodians should be united, halt divisiveness, and stop waging a war that sheds the blood of Cambodians. If we are united, know how to help themselves, and consider national interests supreme, I and the entire RNGC firmly believe that—with the aid we will receive from the international community and the UN, and all our efforts to render social justice to our nation, stamp out corrupt practices, and eliminate clannishness—we will have the potential to rebuild Cambodia. We will be able to transform it so that it will be called an oasis of peace, recognized as an independent state with territorial integrity, respected by the countries worldwide, and endowed with prestige, honor, and fame as it was in the Sangkum Reas Niyum regime under the leadership of His Majesty the King Father.

Before concluding, I would like to convey my profound gratitude to the countries that have sent their nationals—who have sacrificed their lives for Cambodia's peace, freedom, and liberal democracy—to help our Cambodia. I would also like to pay my tribute to those who have fallen like the German soldier lately. The German troops have spent their own money and left their families to help us. As far as I know, they have provided medical treatment not only to the UNTAC staff, but also to Cambodians, especially the poor. One day, when they drove their car [words indistinct] three Cambodians on a motorbike followed them and shot one of them to death. This improper action does not conform to the nature of Cambodia, which has been known to be a historically glorious nation as it was in the Sangkum Reas Niyum era. I would like to plead with our compatriots, who are all Buddhists, for mercy. Lord Buddha advises us not to resort to violence [words indistinct]. As a Cambodian, I feel terribly pained by that incident.

Along with the Khmer Rouge, who still cannot understand the problem facing our nation and who want to continue war, some of our armed compatriots continue to foment insecurity. So, I would like to inform you, compatriots, that the UN has handed over a written note to me and H.E. Hun Sen, pointing out that if we continue to steal, rob, murder UN personnel, which has brought in money and technology to help us, the UN will ban humanitarian organizations and economic institutions from helping us. The international community, which is confronting difficulties, has managed to set aside \$10 million in aid for us. As for us, what are we doing? We are denigrating and fighting one another. We are creating all kinds of insecurity not only to our nation but also to others. How many more years will we bear the sufferings that we have already endured for 23 years? This is our last chance to cooperate with the national and international community, which pities us, to rehabilitate at this final historic stage, our sacred country and provide our children, grandchildren, and great grandchildren with a brilliant future, glory, honor, and prestige as in the eras of Angkor and Sangkum Reas Niyum.

I would like to thank all of you for your attention to my message marking the second anniversary of the Paris 23

October 1991 accord. I pray that the Triple Jewels protect the Kingdom of Cambodia and bestow on it prosperity, glory, independence, and territorial integrity. May His Majesty Norodom Sihanouk Varaman, king of Cambodia, recover permanently from his illness so he can be the cool shade for the defense of Cambodia's independence, territorial integrity, and sovereignty and for the guarantee of national unity. And may all of you, the grandfathers, grandmothers, uncles, and aunts, enjoy Lord Buddha's five blessings, that is, longevity, social standing, happiness, strength, and enlightenment.

Parliament Elects Second Vice Chairman

BK2610102193 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0400 GMT 26 Oct 93

[Editorial Report] Phnom Penh National Voice of Cambodia Radio Network in Cambodian at 0411 GMT on 26 October carries a report with portions recorded on the morning session of the second day, 26 October, of Parliament's first session in Phnom Penh.

The announcers says that "at 0930 [0230 GMT] on the morning of 26 October, the first plenary session of the Parliament, first legislature, actively resumes its work in accordance with the planned agenda."

Son Sann, chairman of the session, calls on the meeting's secretariat to proceed with the election of Parliament's second vice chairman. To establish the quorum, an unidentified official reads out the names of members of parliament who are not present: Van Sun-heng, Ung Phan, Pao Bunsroe, Ros Hean, and Prince Sisowath Sirirat, and declares that the meeting can proceed with 115 MP's present.

An unidentified official introduces the candidate for the post of Parliament's second vice chairman, Son Soubert, who was duly elected with 100 votes in favor, 10 against, and five abstentions.

After declaring the results, Son Sann thanks everyone for their efforts since yesterday to elect Parliament's two vice chairmen and informs the meeting about his wish to retire due to old age and after a long service to the nation. He cites Sihanouk's advice to take leave to rest and recover from exhaustion. An unidentified official then reads Son Sann's written letter that asks Parliament to grant Son Sann leave of "many days of rest starting from today." Permission is duly given by Parliament.

Cheah Sim, the parliament's chairman-elect, on behalf of the two vice chairmen, then addresses the meeting, thanking everyone for electing him and the two vice chairmen; pledging to abide by internal regulations and laws; wishing King Sihanouk a long reign; and hoping for good cooperation with various Parliament's commissions, the government, political parties, and social organizations. Cheah Sim also pledges to "strive to consolidate cooperation with legislative bodies of various

countries and international institutions to gain experiences and beneficial assistance." After his address, Cheah Sim adjourns the meeting "for 15 minutes." The radio ends the report at 0441 GMT.

French Military Delegation Promises More Aid

BK2210134993 Phnom Penh AKP in English 1027 GMT 22 Oct 93

[Text] The French military delegation led by Chief of General Staff Admiral Jacques Lanxade left here Wednesday, 21 October, winding up a four-day official visit to Cambodia. Admiral Lanxade arrived in Cambodia Sunday to examine, with the Cambodian side, the military cooperation projects between Cambodia and France.

Prince Norodom Ranariddh and Hun Sen, first and second prime ministers of Cambodia, signed in July a defense cooperation treaty with French Defense Minister Francois Leotard during his visit to Cambodia.

While here, Admiral Lanxade had talks with his Cambodian counterpart Gen. Ke Kimyan and met Co-Prime Minister Hun Sen Wednesday before his departure. Hun Sen, who is also co-minister of national defense, requested France to send military trainers to help train Cambodian army. He also asked, in particular, for a susceptible aid from the French government to face the attacks by the Khmer Rouge.

France has announced it will send military experts to assess the means of improving the strength of the Cambodian armed forces to face with the threat by the Khmer Rouge [words indistinct] widespread insecurity. The treaty allows for military advisors to be stationed here, after the remaining U.N. Troops leave Cambodia in November, to help restructure and train the Cambodian army, said French Colonel George Picat, who attended the talks with Admiral Lanxade and served with the UN mission here. Picat said France agreed to draw up a more comprehensive defense pact. That accord would be renewed with a much more details on outlining the modalities of the cooperation and [words indistinct] should be signed in several weeks, Picat said. During the talks with the French admiral, Co-Prime Minister Hun Sen sought for the prompt arrival of the French military advisers and appealed for extra assistance of weapons and ammunition to deal with the Khmer Rouge.

France will also donate the supplies and equipment of the French UN peacekeeping forces to the Cambodian army after their repatriation from Cambodia, said the source of French embassy. In addition, France agreed to help the Cambodian government fight against the banditry and increasing lawlessness and insecurity in Cambodia.

France will provide an important assistance to the Ministry of Interior of Cambodia, including at least five

gendarme officers to help train Cambodian police forces, said spokesman of the French embassy, Gerard Buan.

During his stay here, Admiral Lanxade went to inspect a French UN contingent stationed in the [word indistinct] of Cambodia and French demining units in the north-western province of Siem Reap and Sisophon district.

PDK Rejects Report on Khmer Rouge Defectors

BK2310095993 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 22 Oct 93

[Denial of the spokesman of the Party of Democratic Kampuchea; dated 22 October—read by announcer]

[Text] The denial of the spokesman of the Party of Democratic Kampuchea [PDK] concerning a deceitful propaganda that a certain number of defectors turned themselves to authorities in Phnom Penh:

1. Various news sources reported recently that a certain number of Khmer Rouge elements disguised as rickshaw drivers and students surrendered to the current Phnom Penh authorities.

2. The PDK spokesman categorically rejects this deceitful propaganda and reaffirms that no national resistance forces are foolish enough to surrender to the Vietnamese communist-installed administration. This is because everyone is well aware of the true nature of this Vietnamese communist administration. This propaganda is merely a fabrication to deceive national and international public opinion and create pretexts for arresting and threatening against the innocent people.

3. Presently, people almost everywhere throughout the various provinces, particularly the fraternal farmers, have demanded the return of their lands and production assets that the Vietnamese communist-installed administration seized from them.

In Phnom Penh, the masses in general, including pupils, students, and intellectuals, have carried out various activities in opposition to rising prices, insecurity, banditry, anarchy, an attempt to carry on the Vietnamese communists' war, the Vietnamese communist-installed administration, and the allies. They have demanded national reconciliation in line with the spirit of King Norodom Sihanouk's national reconciliation plan.

4. This fabrication is also carried out in preparation for provocative acts against the people and PDK. This is an abominable trick that the aggressors and fascists often use as a pretext.

5. The PDK spokesman appeals to the entire nation and people to monitor the various maneuvers and activities that the Vietnamese communist-installed administration in Phnom Penh has carried out and is preparing to carry out in an attempt to sabotage the national forces, national reconciliation, and King Norodom Sihanouk's

national reconciliation policy, and to enable the Vietnamese communists to control Cambodia forever.

[Dated] 22 October 1993

[Signed] The PDK spokesman

Khmer Rouge Army Denies Receiving Thai Materiel

BK2310053093 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 22 Oct 93

[Denial of the spokesman of the National Army of Democratic Kampuchea; dated 22 October—read by announcer]

[Text] A denial of the spokesman of the National Army of Democratic Kampuchea [NADK] concerns deceitful propaganda by the Vietnamese communists and their puppets on the so-called Thai military providing the NADK with missiles and tanks. During the past month, the Vietnamese communists and their puppets have made numerous accusations on the so-called Thai military giving various forms of aid to the NADK.

On 20 October, (Suos Chattra), Vietnamese puppet commander of the 4th Military-Siem Reap Region, made a premeditated accusation that the Thai military provided the NADK with 20 'Stinger' missiles made in the United States and two T-54 tanks. This is another form of accusation that they have continuously made, but to no avail because nobody believes them.

At present, the national and international public opinion pays no attention to such deceitful accusations that the puppet commanders—Prom Morana, Keo Pisit, and this (Suos Chattra)—have been making.

People have raised the following question: What is the purpose of this lying by the puppets?

1. It is to conceal their defeats in operations against the people and Democratic Kampuchea. At present, their soldiers are mutinying against them, refusing to obey combat orders.

2. It is an attempt to provoke Thailand. They have carried out this fabrication at a time when their allies made successive trips in and out of Siem Reap and Kompong Thom Provinces. This is a plan of the Vietnamese communists. They have ordered their puppets to echo their words in an attempt to undermine the forces which support the King Father's national reconciliation plan, using all methods—military, political, and slanderous propaganda.

However, national and international public opinion is well aware of the aggressors' true nature. No one believes in this groundless deception.

[Dated] 22 October 1993

[Signed] The NADK spokesman

Indonesia**Reportage on Fifth National Congress of Golkar****Meeting Draws Up Agenda**

BK2110081593 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 21 Oct 93

[Text] The meeting of the fifth National Congress of the Functional Group [Golkar] today drew up the program schedule, election procedures, and the discipline to be observed while the congress is in process. At today's meeting Akbar Tanjung was elected as the chairman of the organizing committee of the National Congress. Warsito was elected as the vice chairman, and Bagio Subirin as the secretary.

Speaking to RRI [Radio Republik Indonesia] Akbar Tanjung said that the next program on the list is the presentation of a working report by Wahono, chairman of Golkar for the 1988-93 period.

[Begin Tanjung recording] In presenting his working report to the National Congress, the chairman will table a report on the implementation of Golkar's past program and the progress achieved so far. The obstacles encountered during the implementation of the past program will be the subject for discussions during the current meeting and will be addressed by the next committee members. It is hoped that members of the Regional Executive council would express their opinions and evaluate the working report by Wahono. [end recording]

Chairman Presents Report

BK2110100193 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 21 Oct 93

[Report by RRI correspondent Hasto Kuncoro]

[Text] Wahono, chairman of the Functional Group [Golkar] presented his working report before the group's congress today. In the report, he explained at length about the implementation of his routine duties and responsibilities that were entrusted to him by the fourth National Congress of Golkar for the period 1988-93. He also mentioned the success of Golkar's program during the last five years. He mentioned that the group had been able to consolidate to the best of its ability and had been successful in implementing development programs under the fifth five-year development plan, adding that the group had been successful in the 1992 general elections.

In efforts to promote further consolidation in the organization, Wahono said within the 1988-93 period, Golkar had recorded an increase in its membership from 32,416,188 to almost 34 million in 1993. Currently, the total number of Golkar cadres has reached 10,543,617, and out of this total over 400 are village cadres. Golkar had carried out studies aimed at improving the quality of the political life as well as social organizations and state agencies so that they are more effective in carrying out

their roles and functions. This was done through the holding of forums with other groups to discuss the self-reliance of Golkar.

Apart from that, Golkar is determined to carry out the duties of the House of Representatives as a high state body, and to step up cooperation with other social organizations. The cooperation will cover programs such as efforts to popularize and to implement Golkar's program and to serve the aspirations of the people who are represented by the organizations.

21 Oct Session Activities Noted

BK2210114993 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 22 Oct 93

[Report by Dirun Martareja]

[Text] [Martareja] Last night's plenary session of Golkar's [Functional Group] fifth congress listened to views presented by delegates from 13 Golkar Regional Executive Councils, namely from Aceh, Bali, Bengkulu, Yogyakarta Special Region, Jakarta, Irian Jaya, West Java, Jambi, East Java, Central Java, West Kalimantan, South Kalimantan, and Central Kalimantan. Speaking to Radio Republik Indonesia, Akbar Tanjung, chairman of Golkar's fifth congress, said delegates from the first-level regions in general had accepted the progress report presented by the Golkar Central Executive Council. However, they also expressed hope that several past shortcomings can be improved for the coming term. The delegates also stressed the importance of recruiting new Golkar cadres in the future.

[Tanjung] The delegates from the Regional Executive Councils hope that with the passage of time, Golkar will be more responsive to the people's views, more firmly rooted, and more capable of responding to the people's aspirations. The delegates also used this session to voice their proposals, especially those related to party administration. They also made a special proposal calling on President Suharto to retain the post of chairman of Golkar's Advisory Board for the 1993-98 period. As for party administration, the delegates also submitted several general and special proposals to be implemented in the next party tenure. The special proposal calls on party executives to promote excellent communications with the masses, strengthen unity, and achieve the objectives of Golkar. Some of the delegates even went to the point of nominating [Information Minister] Harmoko and [assistant to minister-state secretary] Ary Marjono as the next Golkar chairman and secretary general. Of course, we will wait for the outcome of these proposals which will be decided by the Committee on Appointments.

[Martareja] Meanwhile, Drs. [academic title] Haji Mohamed Hatta, a Golkar member, said Golkar's fifth congress had made significant progress in terms of smooth implementation and participation of delegates.

[Hatta] I believe what is interesting is President Suharto's message as chairman of Golkar Advisory

Board, read by Mr. Habibie. We can see Mr. Suharto's call on us to review Golkar organization based on the spirit of struggle at its inception. Mr. Suharto stressed the importance of party consolidation. At first glance, consolidation sounds like a routine affair, but I notice his message carries profound significance. I think what he means by consolidation is to examine the existing situation and its challenges. Consolidation also means examining people's trust in Golkar. This trust has enabled us to gain majority votes in every election. Consolidation means we must be able to make Golkar produce concrete programs that can be implemented. It also means that Golkar must be able to recruit qualified cadres, face new problems, make its presence felt among the masses, and solve their problems. The president's message, which he delivered himself at the opening ceremony and that read by Mr. Habibie, carried profound significance, which we must study and understand.

[Martareja] Drs. Sutrisno, a Golkar member from East Java, also gave his views on Golkar's fifth congress as follows:

[Sutrisno] After attending this congress, several issues have attracted my attention. To begin with, the president's opening address said he hoped Golkar will be able to formulate development programs for the welfare of the people. I believe this is in line with the country's Broad Outline of State Policy. Therefore, being the largest sociopolitical force in Indonesia, Golkar must make sure that its work programs are in line with the president's message because improving public welfare is a central issue of development, especially for the second Long-Term Development Plan. To implement this program, I believe Golkar must carry out consolidation in both party organization and recruitment of cadres because we need qualified cadres capable of translating such programs into reality. For this reason, qualified cadres are badly needed. This is in line with government's plan because with the upgrading of human resources in the form of improving the quality of state apparatus, national development will hopefully be achieved without obstacles.

[Martareja] Drs. Bomer Pasaribu, another congress participant, said the Golkar congress had not only proceeded smoothly, but had also created new precedence.

[Pasaribu] After the president, in his capacity as chairman of Golkar Advisory Board, delivered his speech, the delegates gave their response, and we were given the impression that there was a sense of dynamism in the formulation of Golkar's next program. In addition, congress delegates seem to show more variety as far as age is concerned, namely, we have not only senior, but also junior delegates. The same situation occurred during the establishment of the National Congress Committee, whose members consist of a combination of members of the Advisory Board, Central Executive Council, and Regional Executive Councils, which reflect a strong unity among different generation members. Another thing I noticed is that when presenting their

views, regional delegates stressed openness, responsibility, and programs that can be achieved in at least the coming five years.

[Martareja] Presenting his views yesterday, Oka Mahendra, a Golkar delegate, expressed hope that whoever leads Golkar will be able to turn Golkar into a strong sociopolitical force that will unite our nation. We hope that we will further strengthen our pluralistic and diverse nation, because only through national unity will we be able to carry out development tasks. Golkar should take the lead in carrying out democratization process within Golkar's internal organization and in society. The fifth Golkar congress will today continue listening to the views of the delegates.

Radio Reports on 22 Oct Session

BK2310104993 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 23 Oct 93

[Text] The fourth national plenary session of Golkar's [Functional Group] 5th Congress ended last night with overall opinions expressed by some participants of the national plenary session. The views expressed by the participants are reported by our correspondent, Joko Saksono.

[Saksono] Until midnight last night, more than 1,000 participants in Golkar's 5th National Congress were still active and in high spirits. When Professor Sutejo, who represented the conglomerates, small- and medium-scale entrepreneurs, took his position at the podium, the situation became more lively. Replying to questions by RRI [Radio Republik Indonesia] correspondent Hasto Kunchoro, the well-known local figure proposed that there should be a representative from the business sector included in the new Golkar administration in an effort to bridge the social gap.

[Sutejo] Yes, there are certain capable entrepreneurs who are able to bridge the social gap, but guidance should come from Golkar, because it all depends on Golkar if it desires to solve such issues. All this while, Golkar has not been able to solve any such issue because it received no feedback whatsoever. Therefore, I suggest that Golkar include people from the business sector in its next administrative lineup. This is most important. The entrepreneurs, if they were selected to deal with economic issues, should not be given insignificant positions. It would prove to be entirely impractical if they were given irrelevant positions.

[Saksono] It was also stressed that the Golkar administrative officials should not only seek gain, but to perpetually continue their struggle for the sake of people's well-being, particularly for those living below the poverty line. Amid last night's bustling situation of the plenary session, a Golkar cadre from Jakarta, (Arthur Sibero), was of the opinion that it was important for Golkar to continue to widen its esprit de corps and to fully adhere to people's aspirations.

[Sibero] I am of the opinion that the future Golkar administrators should be fully aware of this. [Passage indistinct due to audience noise in background]. I am of the opinion that the people's (?complaints) should be heard and taken to heart.

[Saksono] Meanwhile, the fifth participant in the plenary session, Rukmini, stated that Golkar should be fully self-reliant in facing future challenges. [passage indistinct] Wahono, Golkar chairman, during his 1988-93 term, who presented his report on the overall situation, said that maximum work had been carried out according to Golkar's basic and domestic philosophy. Wahono urged all Golkar cadres to continuously and cumulatively support the party's future responsibilities and challenges with greater determination.

Further on 22 Oct Session

BK2310152393 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 23 Oct 93

[Excerpts] At today's fifth Golkar plenary session, several committees were set up and debates were conducted. RRI reporter Dirun Martareja rounds up the activities with this report:

[Martareja] Golkar's fifth plenary session embarked on discussions conducted by several committees. Committees A, B, C, and D were set up this morning. Committee A, which debated the recommendations concerning issues pertaining to party cadre development, was headed by Professor Dr Parawangsa from the party's South Sulawesi chapter. Committee B, headed by Selamat Limbong from Jakarta's Golkar chapter, debated Golkar's general programs for the next five-year period. Committee C, headed by Tengku Johan from Golkar's Aceh provincial chapter, debated the activities and commitment carried out by Golkar during the 1988-93 term, while Fahmi Idris from Golkar Central Committee headed Committee D, which debated the party's policies. Speaking to RRI, Ismail Hassan SA [Master of Law], who chaired Golkar's fifth plenary session, clarified that the party's cadre policy covers, among other things, the administration, education, and promotion of cadres. [passage omitted]

Golkar's ongoing plenary session is continuing with debates on several issues and reports to be compiled by the various committees.

Radio Reports on 23 Oct Session

BK2410075793 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 24 Oct 93

[Report by Joko Saksono]

[Text] [Saksono] The prospects of Harmoko and Arie Marjono being elected as general chairman and secretary general of the Golkar [Functional Group] Central Executive Council for the next 5 years seem to be good. Meanwhile, thirty-four speakers at the Fifth National Congress have requested Haji Muhammad Suharto to

retain the chairmanship of the Golkar Advisory Council for the next 5 years. Prior to last midnight, Ir. [Master of Engineering] Akbar Tanjung, as chairman of the Fifth National Congress Organizing Committee, explained to reporters the proceedings of the congress, particularly those pertaining to the chairmanship of the Advisory Council.

[Tanjung] Regarding general debates over the chairmanship of the Advisory Council, I notice that all thirty-four speakers requested our president Suharto to again become chairman of the Advisory Council for the next 5 years. I do not expect any difficulties in the election of the chairman of the Advisory Council as all have expressed their opinions and requested President Suharto to retain the chairmanship.

[Saksono] Despite feeling fatigued, delegates to the Fifth National Congress were enthusiastic in their duties. Commission D Chairman Fahmi Idris gave a detailed explanation to RRI about the topics given full attention by Commission D.

[Idris] Wide attention was given to such foreign issues as the latest developments in the Israeli-PLO peace talks, Bosnia-Herzegovina, and Somalia. Other issues given equally wide attention were the socioeconomic gap, economic disparity, oligopoly, and monopoly [words indistinct], and youth and women affairs.

[Saksono] The Fifth National Congress is almost entering its final phase. Its results are very likely to determine the process of nation building in the next 5 years. Fadil Muhammad, a Golkar cadre, is giving special attention to the economic sector in addition to various complex issues, including the leadership of the Central Executive Council.

[Muhammad] First of all, we hope that this national congress is proceeding smoothly and peacefully. Thus, there will be political stability. With political stability, businessmen will conduct their business activities well. This is what we are hoping for. Second, we want our cadres to further enhance their cohesion. Thus, Golkar will emerge as a more cohesive group. As Golkar belongs to all elements in our society and the businessmen are accordingly part of our society, I view as appropriate the opinion of Mr. Probo [prominent businessman and President Suharto's half brother] that the businessmen must take part in Golkar's activities.

[Saksono] Meetings in Commissions A, B, and C focussed on various issues. Usman Hassan, a Golkar cadre, said the discussions, including the training of Golkar cadres proceeded seriously.

[Hassan] The training of Golkar cadres is being specifically discussed during the current national congress. During the 1988-93 period, Golkar started moves to enhance the quality of its cadres. It is deemed necessary that this matter is reaffirmed during the national congress. The essence is indeed the enhancement of the quality of Golkar cadres. In addition, Golkar is to

increase the number of functional cadres. The matter covers, among other things, recruitment, administrative processing, and promotion of cadres.

[Saksono] Listeners, the fifth plenary session will begin at 1400 [West Indonesian Standard Time] this afternoon to receive reports from commissions and ratify the results of their meetings. The sixth plenary session will be held tonight to discuss the chairmanship of the Golkar Advisory Council for the 1993-98 term and the formation of a committee to elect the Golkar Central Executive Council for the 1993-98 term.

Radio Reports on 24 Oct Session

BK2510075193 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 25 Oct 93

[Report by Dirun Martareja]

[Excerpts] [Martareja] The chairmanship of the Functional Group [Golkar] Advisory Council for the 1993-98 term and formation of a committee to elect the Golkar Central Executive Council for the 1993-98 term were discussed during the sixth plenary session of the Fifth Golkar National Congress. Akbar Tanjung as chairman of the Fifth Golkar National Congress Organizing Committee said all delegates from Golkar provincial executive councils, the Golkar Central Executive Council, and the Golkar Advisory Council requested Mr. Haji Muhammad Suharto to retain the chairmanship of the Golkar Advisory Council for the 1993-98 term. [passage omitted]

A committee to elect the Golkar Central Executive Council during the Fifth Golkar National Congress is composed of seven persons. They are Prof. Dr. B.J. Habibie, Haji Ismail Hassan S.H. [Master of Law], Dr. Haryanto Dhanutirto, Prof. Haji Edi Agus Salim Mokodompit M.A. [Master of Arts], Haji Sunarso, Haji Hasril Marun, and Haji Effendy Ritonga. [passage omitted]

Meanwhile, during a break, reporters managed to interview [Information Minister] Harmoko, who is tipped to become general chairman of the Golkar Central Executive Committee.

[Begin recording] [Harmoko] Let us see the Golkar program first! I will study the program after I am elected. I will implement it later.

[Unidentified correspondent] [question indistinct]

[Harmoko] Don't ask me about that! Please ask the committee empowered to elect the Golkar Central Executive Council. I think Golkar statutes and bylaws are all good.

[Unidentified correspondent] [question indistinct]

[Harmoko] What do you mean? All tasks are difficult but noble.

[Unidentified correspondent] [question indistinct]

[Harmoko] All projects are for the people's interests.

[Unidentified correspondent] [question indistinct]

[Harmoko] Let us wait and see first! We will see the program to be issued by the national congress. The program will consist of, for example, the development of Golkar cadres, the success of the Sixth 5-Year Development Plan, and the 1997 general elections. All of them will be embodied in the program. I will subsequently implement the program. I will set specific targets for this program only after I am elected. This is the way I am thinking of it. [end recording]

[Martareja] The proceedings of the Fifth Golkar National Congress will resume at 1500 this afternoon [0800 GMT] and end at 1700 [1000 GMT]. Today's main agenda are the submission of a report by the committee empowered to elect the Golkar Central Executive Council and the election of the Golkar Central Executive Council for the 1993-98 term.

Suharto To Remain Head of Council

BK2510102793 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 25 Oct 93

[Excerpt] President Suharto has accepted the decision of the Fifth National Congress of the Functional Group [Golkar] to renominate him as chairman of the Golkar Advisory Council for the 1993-98 term. The decision was submitted by congress leader Akbar Tanjung to the president at the president's residence on Cendana Street in Jakarta this morning. Akbar Tanjung told reporters after calling on the head of state that President Suharto (?humbly) accepted the decision and pledged to implement his duties to the best of his ability, selecting executive members of the Advisory Council in accordance with Golkar's existing statutes and bylaws. The president said the Advisory Council will give fatherly directives to Golkar officials and cadres [words indistinct]. Haji Muhammad Suharto hoped that Golkar will continue to enhance unity and cohesion in all levels and win greater sympathy from the people. [passage omitted]

Harmoko Elected General Chairman

BK2510131593 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 25 Oct 93

[Report by Hasto Kuncoro]

[Text] Information Minister Haji Harmoko has been elected general chairman of the Functional Group [Golkar] Central Executive Council for the 1993-98 term. His election had been expected in view of popular aspirations aired before and during the national congress.

Meanwhile, Ari Marjono became secretary general of the group.

During the seventh plenary session, the last plenary session of the Fifth Golkar National Congress, B.J.

Habibie, in his role as chairman of the Electoral Committee, said in his report that the Golkar Central Executive Council for the next five years is composed of 45 executive officials—one general chairman, eight chairmen, one secretary general, four deputy general chairmen, one treasurer, two deputy treasurers, and 28 cochairmen of 14 departments. Only 10 serving executive officials remain on the council, while 35 others are new faces. The leadership of the new Golkar Central Executive Council is dominated by those from the younger generation. Only one belongs to Generation 45 [those who fought for national independence in 1945]. Some members of the younger generation who will be on the Golkar Central Executive Council for the 1993-98 term are Agung Laksono and Siti Hardiyanti Indra Rukmana, who were elected as chairpersons; Bambang Trihatmojo and Ponco Sutowo, as treasurer and deputy treasurer respectively; Bambang Riyadi Sugomo, as chairman of the General Elections Affairs Department; and Indra Bambang Utoyo, as chairman of the Youth Affairs Department.

In his report, B.J. Habibie said among other things that the process for electing the Golkar Central Executive Council for the 1993-98 term was based on Golkar's statutes and bylaws, while their election criteria took into account popular aspirations and general debates during the Fifth Golkar National Congress.

Meanwhile, the elected general chairman, Haji Harmoko, told reporters that Golkar's strategy is to maintain an absolute majority in the 1997 general election by developing its cadres, as mandated by the national congress. He made it clear that Golkar's program will consistently accommodate the people's aspirations.

The Fifth Golkar National Congress will close tonight. The vice president will attend the closing ceremony.

Harmoko Pledges To Serve Nation

BK2610042393 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 26 Oct 93

[Report by Joko Saksono]

[Text] [Saksono] The Functional Group [Golkar] admits that poverty, unfair and unequal control of economic means, and a social gap still exist in the country and they can subsequently undermine national integrity and weaken national resilience. Golkar is seriously trying to curb various economic practices that lead to monopoly, oligopoly, [word indistinct], and actions that are incompatible with economic democracy and harmful to the people's interests. Accordingly, Golkar calls for integrated policies manifested in the concrete implementation of laws supporting the enhancement of the role of small- and medium-scale businessmen. This is part of Golkar's stance embodied in its 17-point political statement read at the closing of the National Congress last night.

Meanwhile, Harmoko, general chairman of the Golkar Central Executive Council for the 1993-98 term, loudly reminded all Golkar cadres to be prepared for heavier duties and challenges in the future.

[Begin Harmoko recording] In this regard, Golkar will consistently enhance the quality of its cadres in all sectors of society. Golkar will further involve its cadres in duties to resolve real problems facing the people; to improve their own knowledge, thinking, and initiatives as reformists; and to make constructive and responsible corrections and criticisms, including against those abusing their powers. [applause] Never hurt and disappoint the people! [applause] We Golkar cadres are required to consistently implement the Constitution, laws, and democracy. We Golkar cadres are required to have the courage and stance to say what is right and what is wrong. [end recording]

[Saksono] Vice President Try Sutrisno who closed the Fifth Golkar National Congress, urged Golkar to play the role of vanguard in maintaining national unity and cohesion.

[Begin Sutrisno recording] Golkar has been able to assert itself as a sociopolitical force that maintains a single majority [preceding two words in English] in the country. The word "majority" in Indonesia's political jargon is not synonymous with that used in other countries whose ideologies are in fact different from ours. Under our familial system on which Pancasila Democracy is based, the word "majority" connotes greater obligations to serve the people and fellow sociopolitical organizations. Golkar's greatness is not solely in terms of its number, but also the quality of its role in and dedication to the nation, particularly to face various problems and challenges in our development drive to maintain the existence of our nation. [end recording]

[Saksono] The Fifth Golkar National Congress ended last night. The 45 personnel in the Golkar Central Executive Council for the 1993-98 term are mainly from the younger generation. As a proverb says, no festivity will go on without end. The 182 million Indonesian people (?are now looking forward to) Golkar's concrete work to enable them to attain great welfare.

Try Sutrisno Closes Congress

BK2510155593 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 25 Oct 93

[Text] Vice President Try Sutrisno closed the Fifth National Congress of the Functional Group [Golkar] in Jakarta tonight. He expressed the hope that Golkar will continue to maintain, uphold, and enhance the practice of the Pancasila ideology in an effort to show that Golkar is genuinely committed to the base of its struggle. Golkar is also committed to its role in responding to the increasing need for national development and to the dynamism of an era of progress.

On this occasion, Try Sutrisno also reiterated that Golkar's strategic plans, policies, and programs will always be forward looking, taking into consideration the continuously changing situation that surrounds it.

Prior to the closing ceremony, the Golkar Fifth National Congress heard reports by Ismail Hasan, chairman of the Organizing Committee of the national congress, and speeches by Haji Harmoko, newly elected general chairman of Golkar for the 1993-98 period, and outgoing Golkar Chairman Wahono.

Dailies View Ruling Party's Role, Challenges

BK2210130793 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 22 Oct 93

[From the "Press Review"]

[Text] PELITA says Golkar [Functional Group] is the only political organization in Indonesian history that has managed to score decisive victories in several elections to the point that if the legislative assembly adopts the voting system for passing a bill, Golkar is bound to win all the time. However, despite having majority votes, Golkar needs to be reminded so it is not misled by its own image while neglecting to strengthen its power base for long-term development.

BERITA YUDHA says even though Golkar is an established sociopolitical force, that does not mean that Golkar does not have problems which need solutions and improvements. Even in the absence of undesirable things, Golkar must continue to examine itself and take new steps for future progress. This is imperative in politics because the members of society and their demands continue to grow.

BERITA BUANA stresses the importance of upgrading the quality of democracy, which should not only be reflected in the coming five-year program, but must also clearly be seen in the current Golkar congress. Besides, Golkar must also be able to nurture the democratic principles by developing the role and responsibility of all people in carrying out development.

Meanwhile, ANGKATAN BERSENJATA says Golkar, with its fifth congress, is expected to produce development programs for ordinary people. The majority of those who have voted for Golkar at every election, including the 1992 election, are ordinary people. Therefore, Golkar must do its best to free them from poverty, upgrade their living standards, provide job opportunities, remove the income gap, and improve their environment.

REPUBLIKA comments on the progress report submitted by the chairman of Golkar's Advisory Board, namely, President Suharto, who among other things pointed out Golkar's inadequate response to changing public dynamism. Golkar's response is considered inadequate in coping with public aspirations which grow out of rapid national development. Such public aspirations

include openness, human rights, democracy, social justice and law, as well as preservation of the environment. The problem is not the success or failure faced by Golkar, but how Golkar will cope with all the dynamic challenges.

Suharto Meets Australian Prime Minister 26 Oct

BK2610123593 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 26 Oct 93

[Text] President Suharto stresses the need for a successful end to the Uruguay Round of multilateral trade talks because it pertains to the interests of developing nations. This was stated by the head of state when Australian Prime Minister Paul Keating paid a courtesy call on him at Merdeka Palace this evening.

Briefing reporters after accompanying President Suharto to take Prime Minister Paul Keating to the State Guest House, Minister and State Secretary Murdiono said the head of state briefed the Australian prime minister during the brief meeting on activities of the Nonaligned Movement now chaired by Indonesia.

Meanwhile, Prime Minister Paul Keating briefed President Suharto on developments in the Commonwealth countries and their possible contributions to the dynamic world.

Answering questions from reporters on possible topics to be discussed by the two heads of government tomorrow, Minister Murdiono said that an APEC [Asia-Pacific Economic Cooperation] meeting in Seattle, the United States will become the main topic of their discussions.

[Begin Murdiono recording] The two leaders will discuss possible roles to be played by the two countries in the forthcoming APEC meeting. As I said earlier, Indonesia hopes APEC will enhance the prosperity and welfare of its members, some of which are developing nations such as Indonesia. I think I will give you the details after both of them meet. [end recording]

Prime Minister Paul Keating and his wife arrived at Halim Perdanakusuma Airport at 1500 West Indonesian Standard Time [0800 GMT] this afternoon for a three-day working visit to Indonesia. At the airport, Paul Keating and his party were welcomed by Foreign Minister Ali Alatas, Jakarta Governor Suryadi Sudirja, and the commander of the Jakarta Military Region, Major General Hendro Wiyono.

Prime Minister and Mrs. Keating were greeted by President and Mrs. Suharto at Merdeka Palace about 30 minutes after arrival at the airport. During the three-day stay in Indonesia, Paul Keating is scheduled to hold talks with Foreign Minister Ali Alatas and the coordinating minister for industry and trade, Hartarto, apart from his talks with President Suharto. He is also scheduled to pay a courtesy call on Vice President Try Sutrisno.

Possible Speed Up of AFTA Implementation Viewed

BK2410124993 Jakarta KOMPAS in Indonesian
9 Oct 93 p 4

[Editorial: "Indonesia Believes AFTA Should Not Be Hastened"]

[Text] Should the realization of the ASEAN Free Trade Area (AFTA) be hastened? This question emerged during the 25th ASEAN Economic Ministers Meeting in Singapore, which included the meeting on AFTA.

Prior to this, it was agreed that AFTA should be implemented in stages beginning 1 January 1994 for 15 years. This means that after the 15-year period AFTA would be fully implemented. The question emerged when Thailand called for AFTA to be fully implemented in less than 15 years.

The Indonesian delegation leader led by the coordinating minister for industry and trade affairs, Hartarto, stated that Indonesia considered that there was no necessity to speed up the implementation of AFTA. The country was in favor of implementing AFTA in stages within the 15-year timeframe and for having a review conducted to decide whether there was a real need for the implementation to be hastened.

Meanwhile, Singapore stated that it would not participate in the effort to hasten the implementation of AFTA, but urged ASEAN member countries to decide on how swiftly the implementation of AFTA could be carried out.

The ASEAN Free Trade Area, AFTA, was created to boost intra-ASEAN trading activities and to make the industrial circle—particularly regarding industries—rapidly become more competitive in an effort to increase the trade volume of ASEAN member countries with other countries.

It was viewed that no problems would be encountered with regard to the implementation being carried out within the 15-year period.

Since the early stages of AFTA's formulation, some members had shown immense enthusiasm while some were cautious, and the rest were skeptic as to whether ASEAN was capable of realizing its dream as it had envisioned.

The wait-and-see and apprehensive attitude probably emanated because the ASEAN grouping consists of developing countries even though one country (Singapore) was considered as a newly industrialized nation. There was some skepticism over ASEAN's ability to establish a free trade area.

There is another matter in connection with this issue. The trade volume between one ASEAN member country and its other counterparts is relatively marginal when

compared with that country's trading activities with, for example, the United States, Japan and the European Community.

Considering the national interest of every ASEAN member country, is AFTA really important or is it aimed at only boosting the grouping's trading activities?

Indonesia, considered in terms of its national interest and "the joint economic importance" it has with its other ASEAN partners, would definitely and truly desire the establishment of AFTA through cautious measures and careful consideration.

Singapore, on the other hand, has a nonchalant attitude. The question of speeding up the implementation of AFTA with the 15-year period or within a lesser time frame, poses no problem for the country. If AFTA was to be fully implemented, say for example, within three years, Singapore stated that it would be ready. Its economic progress and prowess support this statement; the country's economic situation can never decline.

As far as we can surmise, Singapore's international trading activities have truly been established and broadened, and even if AFTA were never formed, the country would definitely not face any problems.

Currently, there is the Asia-Pacific Economic Cooperation APEC. Whether it is recognized or otherwise, the idea of forming APEC was first mooted by Australia and its formation effected the development of ASEAN's economic cooperation. ASEAN with its idea of AFTA is comparable to selling fried chicken on the pavement of the Block M Flats in South Jakarta and being faced with stiff competition from the Texas Fried Chicken or Madam Suharti's Fried Chicken.

In connection with the idea of the formation of APEC, ASEAN was considered that it should first strengthen its economic cooperation. In other words, APEC would have to wait. But the formation of APEC was one of urgency and ASEAN considered that its members should participate actively in the grouping. Besides, it was also viewed that the objective of forming APEC would not, in any way, obstruct ASEAN's economic cooperation.

Indisputably, APEC has undergone a rapid development and the United States will play a dominant role in it. This remains to be seen during the upcoming APEC meeting in Seattle in the middle of November.

It is true that the form of cooperation in APEC is still questionable. Some were of the opinion that such a cooperation should not be in the form of an Asia-Pacific free trade area. It would be preferable if the United States does not convert the idea of turning APEC into an embryo of the North America Free Trade Area (NAFTA). We are still uncertain over this matter.

We are presently sure that APEC is currently playing a dominant role.

We are also absolutely hoping for ASEAN's economic cooperation to continue to exist and further develop. AFTA could be absorbed and could prove to be beneficial for its members. But once again, APEC—whether it is recognized or otherwise—and in one way or another, has affected ASEAN's economic cooperation.

Philippines

Yeltsin Requests Observers for Russian Polls

BK2410074193 Quezon City MALAYA in English 21 Oct 93 p 6

[By Butch Franco]

[Text] Russian President Boris Yeltsin has invited the Philippines to send observers in the country's parliamentary elections on 11 and 12 December, the Department of Foreign Affairs [DFA] said yesterday.

"I am inviting international observers to monitor the forthcoming (parliamentary) polls," Yeltsin said in his letter to the DFA, dated 11 October. He said that presidential elections would come later.

George Reyes, DFA assistant secretary for European affairs, said Russia has also invited other international observers but stressed that Philippine representatives would be the main observers from Asia.

"We are happy that an invitation has been extended to us. Apparently, the Philippines is being regarded by Russia as one of the strongest democratic countries in Asia," Reyes said. He did not know if any invitation was extended to Kampuchea, Burma or Thailand. [sentence as received]

Reyes said Philippine observers to the Duma (Russia's lower chamber) polls would come from the Commission on Elections [Comelec] and some nongovernment organization (NGOs).

Countries sending observers will foot their own bills, he said. He said the Philippine team to be sent to Moscow will support Yeltsin's economic and democratic reforms, regardless of who would win in the parliamentary polls.

"I think it's in our interest to maintain our presence there (Moscow) as far as (support for) democracy is concerned," Reyes said. He added that Yeltsin's letter has already been forwarded to the Comelec.

Last month, Yeltsin called for December elections for a new parliament after he seized control of Russia's estate in a coup against the enemies of his economic and political reforms.

Government, MNLF Start Peace Talks in Jakarta

Sides Upbeat on Lasting Peace

BK2410085793 Manila MANILA BULLETIN in English 20 Oct 93 pp 1, 6

[Text] The two panels representing the Philippine government and the Moro National Liberation Front (MNLF) in the scheduled peace talks in Jakarta, Indonesia, on 25 October expressed confidence yesterday that lasting peace for the people in Mindanao will be achieved.

MNLF leader Nur Misuari and Rep. [Representative] Eduardo Ermita in separate interviews with DZRB-Radyo ng Bayan [Radio of the Nation] of the Philippine Broadcasting Service, said they are hopeful peace will soon come to Muslims and Christians in the South.

Nur Misuari was interviewed via long distance telephone in Jeddah, Saudi Arabia, while Congressman Ermita was interviewed in Manila.

Misuari will head the MNLF panel while the government side will be led by former Ambassador Manuel Yan, assisted by Ermita.

During the interview, Misuari said Muslim mujahideen fighters have been ordered to desist from taking any action in the field while the talks are going on. But he, however, stressed that he is not holding back his fighters should there be unnecessary provocation from the government.

Misuari said he assures the whole nation that the MNLF leadership has not issued instructions to create any hostilities in the South in order to spoil the climate of confidence established in the area.

Ermita said President Ramos ordered them to fully study the MNLF position and on what aspect the government panel can accommodate it for the immediate solution of the problems in Mindanao.

Ermita said it would be a major breakthrough if peace is attained in Mindanao as economic programs can easily be implemented for the development of Mindanao. He likewise called on the MNLF leaders to join in the democratic processes to test their leadership in Mindanao.

The protracted conflict in the South has dragged on for more than two decades and resulted in the death of thousands of inhabitants from both the Muslims and the Christians.

This also resulted in the stagnation of economic activity and hindered development in the richest and second biggest island of the country.

MILF

The government is ready to hold separate talks with the Moro Islamic Liberation Front (MILF) rebels in line

with President Ramos' objective to settle the country's armed conflicts. This was disclosed yesterday by former Ambassador Manuel Yan, head of the government panel in peace talks with the MNLF.

The negotiations for the peace talks between the government and the MILF are to be scheduled yet but Yan said that consultations will be made with MILF leader Firdausi Abbas.

The opening of the formal talks between the government panel headed by Yan and the MNLF headed by its chairman Nur Misuari will start on 25 October at the Hotel Indonesia in Jakarta.

In a statement, Yan said that upon receiving final instructions from President Ramos on the conduct of the peace talks, the government peace negotiators will leave Friday, 22 October, as scheduled for Jakarta, Indonesia.

With Yan in the government panel are Gov. [Governor] Nabil Tan and former Governor Sandiale Sambolawan of the Autonomous Region in Muslim Mindanao (ARMM), Rep. Eduardo Ermita of Batangas, and Prof. [Professor] Rudy Rodil of the Mindanao State University.

"I cannot say how long the open-ended discussions will take but both panels are expected to immediately buckle down to substantive discussions," Yan added.

The Philippine Embassy in Jakarta will serve as the clearing house of information or source of news pertaining to the peace talks.

President Ramos has instructed the government panel to the formal talks with the MNLF to convey the Philippine government's appreciation to Indonesian President Suharto "for his graciousness and hospitality" in hosting the formal talks.

The President likewise sent through Yan and the peace negotiators his appreciation to Dr. Hamid Algabid, secretary-general of the Organization of Islamic Conference (OIC), for the indispensable role of the OIC in facilitating the peace process with the MNLF and to the OIC Ministerial Committee of Six chaired by Indonesia, with Saudi Arabia, Libya, Somalia, Bangladesh, and Senegal as members.

The formal talks are a culmination of two exploratory talks held in Tripoli, Libya, on 2-3 October 1992, and in Cipanas, West Java, last April between the government and the MNLF leadership.

"These are being held in line with the President's policy of seeking a principled settlement of armed conflict, with neither blame nor surrender, but with dignity for all concerned," Yan said.

Government Panel Leaves for Jakarta

BK2210064293 Quezon City PTV-4 Television Network in Tagalog 0500 GMT 22 Oct 93

[Text] Former Ambassador Manuel Yan, chairman of the government negotiating panel for the coming talks with the Moro National Liberation Front [MNLF], today expressed confidence that positive results will be achieved in the forthcoming peace talks with the MNLF in Jakarta, Indonesia.

Yan left this morning together with Congressman Eduardo Ermita and other members of the government panel for the opening of the peace talks in Jakarta, this coming Monday [25 October]. Yan said that the government panel will push for the national interest in achieving a peace plan.

Meanwhile, Datu Firdausi Abbas will be leaving for Jakarta on Sunday to reiterate the implementation of the Tripoli agreement which gives autonomy to 13 provinces in Mindanao.

Ramos Optimistic About Talks

BK2510081793 Quezon City Radio Filipinas in English 0230 GMT 25 Oct 93

[Text] President Ramos is optimistic that a lasting and meaningful solution to the Mindanao conflict will be forged during the peace talks between the government and the Moro National Liberation Front [MNLF] starting today in Jakarta, Indonesia. This was revealed by Malacanang officials who also said that the president will closely monitor the Jakarta talks with much hope for their ending in agreement and, thus, bringing lasting peace to Mindanao. The president who slipped to Cebu City the other day to witness the signing of the memorandum of agreement on the Mactan Air Base was quoted as saying that Jakarta talks have a good chance of success. The Mactan ceremony involved a turnover of portions of the Mactan Air Base to the Mactan Cebu International Airport Authority or MCIAA in an accord signed by the Department of National Defense, Department of Transportation and Communication, and Department of Trade and Industry.

The Philippine negotiating panel to Jakarta led by Ambassador Manuel Yan was reported to have held long and exhaustive consultative talks with the president on all aspects of the Mindanao conflict before he departed for Jakarta last Friday. Nur Misuari, MNLF chairman, is heading the MNLF panel. Misuari, in a radio interview, said the MNLF panel will do its best to reach an agreement with the Philippine panel beneficial not only to the people of Mindanao but also of the entire Philippines. Misuari said the Jakarta talks could be the last chance to attain a lasting and meaningful peace in southern Philippines.

As this developed, the Bangsa [Nation] Moro Islamic Party or BMIP calls for the inclusion of the Moro Islamic Liberation Front or MILF in the Jakarta talks, saying the

MILF has a bigger military force than the MNLF. BMIP Chairman Datu Firdausi Abbas said the inclusion of the MILF will make the agreements to be reached binding on the Muslim community.

MNLF Leader Confident of Success

BK2610070093 Quezon City Radio Filipinas in English 0230 GMT 26 Oct 93

[Text] Formal discussions start today between the Philippine peace panel and the Moro National Liberation Front [MNLF] in Jakarta, Indonesia. Peace talks between the Philippine Government and the MNLF formally opened last night at the Hotel Indonesia.

Chief negotiators Manuel Yan of the Philippine Government and Nur Misuari of the MNLF delivered their respective official statements during the opening rites. Misuari said he had received assurance from the Moro Islamic Liberation Front that it will not try to jeopardize the peace talks. At the same time, he called for full implementation of the 1976 Tripoli Agreement if the search for a peaceful and lasting solution to the Mindanao conflict is to be pursued. Misuari said, failure of the talks would mean lost opportunity for economic advancement for the people of Mindanao. In a television interview, Misuari expressed confidence that the peace talks will succeed.

For his part, Ambassador Yan said, they will try to be more flexible. According to him, he had been instructed by President Ramos to exhaust all means of securing peace.

Indonesian Foreign Minister Cited

BK2610012493 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 26 Oct 93

[Text] Indonesia hopes there will be substantive progress in the first official talks between the Philippine Government and the Moro National Liberation Front [MNLF]. Indonesia is convinced the two sides will make substantive progress during the current talks. This was stated by Foreign Minister Ali Alatas at the opening of the first official talks between the Philippine Government and the MNLF in Jakarta yesterday. The Philippine Government and the MNLF earlier held two exploratory talks in Tripoli in October 1992 and in Cipanas, West Java in April 1993.

The Moro people inhabiting Mindanao in the Southern Philippines have for years been fighting for autonomy.

Foreign Minister Ali Alatas also stressed the need for the two sides to demonstrate a spirit of cooperation and goodwill in their talks. Through such a spirit, the talks will be spared from obstacles, difficulties, doubts, and distrust. The success of the peace talks between the two disputing sides will benefit not only the Philippines but also other countries in the region.

MILF Confirms Support for MNLF in Peace Talks

BK2210080593 Quezon City Radio Filipinas in English 0230 GMT 22 Oct 93

[Text] Breaking its silence about the forthcoming negotiations between government and its erstwhile rival organization, the Moro Islamic Liberation Front [MILF] has confirmed support for the Moro National Liberation Front [MNLF]. (Muagir Ikbal), chairman of the information committee for the MILF central committee, told PNF, Philippine News and Features that the Tripoli Agreement was a good enough framework for the talks, the position upheld by the MNLF.

The agreement is a 1976 document signed by the Philippine Government through then President Ferdinand Marcos and the MNLF which has launched a four-year rebellion against the government. The document set the terms for a month-long cease fire in Mindanao. (Ikbal) said the MILF which split from the MNLF after the Tripoli signing supports the negotiations which start on October 25 in Jakarta, Indonesia.

MILF promotes the preservation of a traditional Moro society. Quote, what is important to us is the resolution of the Bangsa [Nation] Moro problem, unquote, (Ikbal) said, referring to the Muslims' aspirations for nationhood. He said MILF supports whoever can solve the problem of the Moro people. As long as the Tripoli agreement is followed in spirit and in intent, there is a chance of resolving the problem, unquote, he said. [no mention to open quotes] The October 25 talks are seen as an important breakthrough by the Philippine Government in dealing with the Muslim issue. However, there is a convincing voiced out reservations. There is no compromise in sight, said (Ikbal). He said the Philippine government stands for the Philippine constitution and Muslims for the Tripoli Agreement.

Meanwhile, an MNLF officer who was scheduled to join the Jakarta talks told PNF that government sincerity was not the question. What must be addressed is whether the Philippine Government and the MNLF which distrust each other can work together in addressing poverty in Mindanao, he said. The officer calling himself (Abner) said MNLF has consulted with Muslim communities and the various revolutionary groups in Mindanao. He said the coming negotiations indicate that the government was serious about the Muslim issue. We are willing to give it a try, he said. Other observers meanwhile are reminding MNLF that it should not look at the negotiations as only between the MNLF and the Philippine Government. It should look at it as between the government and the peoples of Mindanao particularly the Bangsa Moro people said (Aba Quaman), head of the Kilusan para sa Tunay na Autonomiya ng Bayan [Movement for Genuine Autonomy of the People].

[Words indistinct] an academe based organization in Mindanao believes that there is little to be gained from the Jakarta talks next week because the talks are limited

to the Tripoli Agreement. Catholic priest Eliseo Mercado Jr., head of the Notre Dame University in Cotabato and a scholar on Islamic issues, said the compromise that shall satisfy both Muslims and Christians will be difficult to achieve. Neither the Marcos nor the Aquino models have worked, Mercado said. Marcos failed with his Tripoli initiative which resulted in the form of declaration of Muslim autonomy into Mindanao regions covering 13 provinces, Mercado said. It failed to solve Muslim unrest. President Aquino then called a referendum that resulted in the establishment of the Autonomous Region for Muslim Mindanao which covered four provinces. Mrs. Aquino ignored the Tripoli Agreement and used the 1987 Philippine constitution as framework. Basically, the Muslims have no sense of belonging to the Philippines. They feel betrayed by their political and religious leaders who have entered into a lot of compromises, Mercado said. Next week's talks lack historicity and Mercado said it is not expected to review how the terms in the Tripoli Agreement were implemented and will start from zero.

MILF Wants Inclusion In Talks

BK221011193 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0930 GMT 22 Oct 93

[Text] Datu Firdausi Abbas, acting spokesman of the Moro Islamic Liberation Front [MILF], says his organization wants to participate in the forthcoming peace talks between the government and the Moro National Liberation Front [MNLF].

According to Abbas, their noninclusion by government in the peace talks may result in the resumption of rebel offensives, similar to what happened during the 1986 peace talks. Abbas added that the Mindanao problem will not be resolved if MILF is not included in the talks because they will not recognize whatever agreement that the government may reach with the MNLF headed by Nur Misuari.

Majority of Muslims Said To Support Plan

BK2510111793 Quezon City Radio Filipinas in English 0230 GMT 25 Oct 93

[Text] The Moro National Liberation Front [MNLF] is optimistic that the coming peace talks with the Philippine Government in Jakarta, Indonesia would finally end the decades-old Mindanao conflict. We are going there to Jakarta with an open mind and with a maximum sense of optimism that something good would be arrived at the negotiation, quote, unquote, MNLF Secretary General Muslimin Sema said before departing for Indonesia.

(?Meanwhile), the government peace panel expressed similar optimism. Quote, the negotiation could be to end our hostilities in Mindanao, unquote, former Ambassador Manuel Yan, key panelist, was quoted as saying before he and his panel members left for Jakarta last Friday.

Former Kuwait Ambassador Dr. Alunan C. Glang said that the 25 October talks in Indonesia between the government and the Muslim rebels enjoy large support among the Bangsa [Nation] Moro people in Mindanao. Glang said that close to 90 percent of Muslims are behind the peace initiatives extended by President Ramos to all rebels and all colors in the country, particularly the Moro National Liberation Front. He cited the figure as a result of his informal survey among the people in the Autonomous Region of Muslim Mindanao [ARMM] a few weeks ago.

The ordinary Muslim folk, Glang said, know that they will be the greatest losers in any resumption of hostilities between government troops and the rebels. It was estimated that close to a million Muslims fled Mindanao during the outbreak of violence in the 1970's. Many of them were scattered in Luzon and the Visayas as well as in nearby Asian countries.

During his stay at the ARMM, Glang also said that he made contacts with Mohagher Iqbal, the information head of the Moro Islamic Liberation Front, MILF, and with some fundamentalists who also claim to be associated with the Abu Sayaf group. Iqbal, according to Glang, said that the MILF group is supporting the MNLF in the peace talks and that one of their course of actions is to join the MNLF in developing the areas of autonomy should the talks succeed. Glang said that the fundamentalists have not expressed support or opposition to the reconciliation talks in Jakarta, Indonesia. He said the fundamentalists have adopted a wait-and-see attitude. The Bangsa Moro masses expect that any solution to the Mindanao problem will put an end to the leadership of many of their so-called political and traditional leaders. They are blaming many of these so-called leaders for the underdevelopment of their places and their poverty, Glang said.

The former diplomat said that he personally believes that President Ramos is equal to the gargantuan task of providing solution to the Mindanao problem, not only as represented by the MNLF, but the 400-year-old dilemma which has made Muslims second-class citizens in their own country. He recalled that only Sultan Kudarat in the 17th century was able to unify all the Moro people with the center extending to as far as North Sulawesi in Indonesia, visited by Ramos recently. It is my prayer that the president could be the leader to make the Moro people feel that they are members of the Filipino nation just like the Christians, quote, unquote, Glang said.

Thailand

Exporters Warned on Subsidies, U.S. Reprisals

BK2510024993 Bangkok THE NATION in English 25 Oct 93 p B2

[Text] The Foreign Trade Department warned Thai garment exporters to stop accepting government subsidies to prevent US retaliation with an anti-dumping tax.

Oranut Osathanon, director general of the Foreign Trade Department, said the US Commerce Department recently notified her agency of the re-enforcement of the Suspension Agreement penalizing Thai garment exports to the US in the event subsidizing is evidenced.

The American Textile Manufacturers Institute and the American Yarn and Spinner Association won a US preliminary court order against Thailand for the Agreement's re-enforcement. The agreement expired in 1990 but US industry has filed for its extension.

The two US associations won the court order for the extension of the Suspension Agreement. The two countries first signed the Suspension Agreement in 1985. Thai textile and yarn exporters promised not to accept Thai government subsidies for the industry. The US in turn would not impose the countervailing duty [CVD].

If Thai exporters of textiles and yarn are found accepting the subsidies, the US government will be in a position to impose a countervailing duty of 3.82 per cent. The tax rate will incapacitate Thai products in the US market. This effect prompted Thailand to sign the Suspension Agreement in 1985.

Oranut said the US government cannot impose the CVD tax if Thai exporters do not accept subsidies from the Board of Investment. The subsidies involve export tax rebates, promotional privileges from the Board of Investment, export re-discount credit, electricity rate reduction (since withdrawn), privileges from the export zones in industrial estates and the International Trade Promotion Fund.

Oranut said the Foreign Trade Department has hired a US law office to institute an appeal of the recent US court decision.

During the interim, the Thai and US sides are negotiating the details. The next round of negotiations with the US is scheduled for Nov 15-16 in Washington DC. A Thai victory on the appeal would invalidate the agreement. The US is the only country with which Thailand has not renewed the bilateral textile trade agreement.

Last week, Thailand signed a bilateral agreement with Canada for two more years. Oranut said export growth to Canada will be six per cent annually, compared to the previous uncertain level of about 4.5 per cent. The transfer quota will be seven per cent instead of five. Canada also increased the quota for nylon fabric by 20 per cent from the 1993 level of 106,389 square metres.

The agreement was extended for two years due to uncertainty about the outcome of the Uruguay Round.

Ambassador to Moscow Questions Envoy Transfer
BK2510022993 Bangkok *THE NATION* in English
25 Oct 93 p a6

[Text] Ambassador to Moscow Kasit Phirom has asked the Foreign Ministry to clarify the controversial transfer

of Ambassador Montri Chalichan from Beijing, a well-placed source said. In a letter dated Oct 18 Kasit called for an explanation of reports that Montri will be moved because of improper behaviour, the source said.

Kasit said Montri was a well-respected senior official who had served in the ministry for most of his adult life and his reported transfer was discouraging for other envoys, according to the source. Kasit is the first ambassador to express an opinion and seek clarification of the transfer, but more enquiries were expected this week, the source said. Kasit will soon move to Indonesia, where he will head the Jakarta embassy.

Montri, 58, has been the ambassador to Beijing for about three years. He won a government scholarship and studied law in France before joining the Foreign Ministry about 30 years ago.

He was ambassador to Vietnam from 1982 to 1984 and to Germany from 1984 to 1988. He served as a deputy permanent secretary for foreign affairs from 1988 to 1990 before being appointed the ambassador to Beijing. He is known for his interest in law and diplomacy and for his clean record.

He said on Friday [22 October] that a senior ministry official had confirmed that a recommendation for his transfer would be sent to Cabinet for approval soon. He told reporters the move should have been routine but someone had tried to destroy his reputation by spreading rumours about him, including allegations he is an alcoholic.

Montri called on the ministry to set up a disciplinary investigation team to look into the allegations, adding he was confident he would be absolved. If the ministry refused his request he would put his case to the Civil Service Commission.

Earlier reports, also denied by Montri, had it that the ambassador to Beijing shook up relations between the ministry and politicians by informing Prime Minister Chuan Likphai that some politicians were involved in smuggling to and from China. However, he said, a good diplomat should report any information, either negative or positive, to the ministry and to the government, so that the authorities knew what was actually happening.

The 58-year-old envoy is said to have close connections with Chat Phatthana leader Chatchai Chunhawan, an archrival of Foreign Minister Prasong Sunsiri.

Prasong could not be reached for comment yesterday about a report that quoted him as saying Montri's transfer was a result of his misbehaviour.

Montri is scheduled to return to Beijing today.

The source said his transfer was expected to be forwarded to Cabinet within the next two weeks. Another senior source said Montri had been treated unfairly and should have been given the chance to defend himself before being transferred to another foreign post.

According to ministry regulations, if he was guilty of misbehaviour the ministry should initially have summoned him for a reprimand.

The official also questioned whether another country would be pleased to accept a diplomat whose behaviour elsewhere had been deemed improper.

Earlier, reports that Montri would be transferred to Athens prompted the Greek embassy in Bangkok to ask the Foreign Ministry to explain why the Greek government should welcome an unwanted ambassador.

Vietnam To Propose Ground Rules on Agreements

BK2210025593 Bangkok BANGKOK POST in English 22 Oct 93 p 22

[Text] To avoid further conflicts arising over fishing and other violations of Vietnamese and disputed waters, Vietnam and Thailand have tried to establish "ground rules" for a bilateral agreement.

An informed source at Government House said the guidelines proposed by Hanoi would be outlined in accordance with international laws. The framework of the negotiations will be based on the Thai-Vietnamese Economic Cooperation Committee. However, Vietnamese Prime Minister Vo Van Kiet postponed the signing date because he wanted the Thai Government to build confidence and order in overseas fishing before the agreement would be signed.

Along with the ground rules negotiations, the Thai Administration is being encouraged to forge direct relationships with Vietnamese provinces to promote fishery cooperation and improve the climate between the two countries. The same source said local mechanisms were being proposed to help solve controversies surrounding maritime border violations.

Continuous promotion of good relations will enable the Thai private sector to set up direct joint ventures with local Vietnamese fishermen.

As well, Thailand's Foreign Affairs Ministry has been drawing up draft principles for Thai officials to use in dealing with fishery disputes that may occur. However, some problems remain with the maritime boundary which may be submitted to the Cabinet if necessary.

Responsible government agencies are also being encouraged to supervise Thai fishing operators more closely in order to plug legal loopholes and to develop a clear-cut policy for Thailand's fishing activities.

It is believed that if the National Fishery Policy covering local and foreign fisheries, fishing industries and farming is approved by the Cabinet, it will help ease existing problems.

The source noted that the Vietnamese Government still had not responded to the Thai Government's proposal to

set up a Subcommittee on Fisheries as part of the Economic Cooperation Committee.

The two countries have long had problems with maritime zone violations, either intentional or unintentional, because of unclear boundaries. Fishermen have been imprisoned on both sides.

Last year, 13 Vietnamese fishing boats carrying 138 fishermen were arrested. All were sent home. In the same period, 71 Thai boats with 945 fishermen were arrested. Sixteen Thai fishermen are still in Vietnamese prisons.

Fisheries Department records show the number of Thai fishermen arrested had been declining; in 1990, 108 Thai fishing boats with 1,686 fishermen were arrested; the figures decreased to 42 boats and 683 fishermen in 1991. During January-July this year, Vietnam seized 29 Thai boats with 262 fishermen.

Defense Minister on Khmer Rouge Policy

BK2110120393 Bangkok SIAM RAT in Thai 21 Oct 93 p 3

[Text] Defense Minister General Wichit Sukmak stated that a certain movement based in New York, the United States, was responsible for efforts to discredit Thailand through reports accusing Thailand of supporting the Khmer Rouge. He said the ministry was checking for more details about it. In fact, he said, it is impossible to tell others to stop criticizing Thailand; however, the Defense Ministry will cooperate with the Foreign Ministry in order to report the facts.

Gen. Wichit said that the military is upholding the government's policy and treating all Khmer factions alike. In particular, it is conforming with the UN resolutions. He believed the Foreign Ministry had already contacted the Cambodian authorities for clarification of the matter.

Joint Border Committee Set Up With Cambodia

BK2210080993 Bangkok Radio Thailand Network in English 0000 GMT 22 Oct 93

[Text] A new Thai-Cambodian border committee will be set up following a proposal by the National Security Council. The Thai-Cambodian Border Policy Coordination Committee will be chaired by Supreme Commander Air Chief Marshall Woranat Aphichari. The committee will be under the government's committee for solving Thai-Cambodian border problems.

The Cabinet this week instructed the budget bureau to allocate a budget of 5.8 million baht from the fiscal year 1994 for the setting up of the committee. The new committee will be responsible for coordinating with government agencies involved, international organizations, and Cambodian authorities at the local level in accordance with the Thai Government's policy toward Cambodia after the closure of the office for the repatriation of Cambodians in May this year. The committee

will also coordinate with all government officers responsible for border securities as the situation in Cambodia is still unstable and might affect Thailand's security at the eastern border.

Foreign Criminal Gangs Said Under Surveillance

BK2410011693 Bangkok *THE NATION* in English
24 Oct 93 p A2

[Text] The Crime Suppression Division has stepped up surveillance of foreign criminal gangs out of fear they will escalate violence and cause public unrest, according to a division superintendent.

Pol Col [Police Colonel] Chumphon Munmai yesterday said underground elements from Pakistan and some Middle East countries, including Iran, Iraq, Syria and Libya, are in Thailand, cloistered in "unusual silence".

"It is likely that they are planning to do something (violent)," he said.

There have been rumours that these groups of criminals have links with terrorists who launched attacks in the country's southern-most provinces last month. Chumphon said tourists are being subjected to physical abuse by foreign gangs. To prevent attacks, the superintendent said police patrols in areas like Bangrak, Sukhumvit and Saphan Kwai will be carried out around-the-clock.

Figures for Direct Foreign Investment Cited

BK2310023493 Bangkok *THE NATION* in English
23 Oct 93 p B2

[Text] Direct investment from Japan showed signs of picking up during the first half of this year after plunging nearly 50 per cent in 1992, the Bank of Thailand reported. In the first half of this year, foreign direct investment totalled Bt24.6 billion, down 5.8 per cent as compared with the same period last year.

The Bank of Thailand detected increasing Japanese investment during the first half of this year and anticipated the second Japanese investment wave in Thailand due to the strong Japanese yen against other major foreign currencies.

Japanese investment played a catalytic role in the booming Thai economy during 1986-1991. In the first half of this year, Japanese direct investment totalled Bt5.69 billion or 23.1 per cent of the total, an increase of 5.9 per cent, topping the foreign investor list. Last year, Japanese investment fell from Bt5.59 billion in 1991 to Bt8.57 billion lagging behind Hong Kong and the United States with registered investment of Bt4.55 billion and Bt11.79 billion, respectively.

Singapore came second during the year's first half with investment of Bt5.51 billion, its highest in 10 years. Singaporean investment in Thailand has steadily increased since 1986 and was 78.9 per cent higher in the first half of this year compared to the same period last

year. The island state's investment was 22.4 per cent of total foreign direct investment in the first half.

American investors invested Bt4.98 billion during this period, or a 3.9-per cent increase. The market share is 20.3 per cent.

Hong Kong's investment in Thailand fell from its Bt14.55 billion peak last year by 59.8 per cent in the first half. This is a major adjustment after Hong Kong investment in Thailand had risen since 1988.

Chinese investment in Thailand should be scrutinized. The amount totalled Bt53.7 million in the first half, an increase of 753.1 per cent.

From the 26 countries investing in Thailand, half raised their investment and the other half dropped.

Countries which registered outflows during the first half year were Denmark, Malaysia and Belgium.

In the first half of this year, the industrial sector took most foreign direct investment—Bt11.72 billion which was a 22.8 per cent increase. Chemical investment rose 195.4 per cent to Bt2.76 billion. Investment in electrical appliances fell 21.3 per cent to Bt2.6 billion.

Foreign investment in petroleum products was up 241.9 per cent during this period to Bt1.66 billion. Construction materials investment fell 92.5 per cent to Bt19.5 million. The investment in textiles fell 85.8 per cent to Bt156.7 million.

Investment in financial institutions was high due to the establishment of the Bangkok International Banking Facility. The amount during the first six months was up 53.1 per cent to Bt5.23 billion.

Other sectors showing signs of increased foreign investment were mining and quarrying and real estate with increases of 65.4 per cent to Bt2.33 billion and 26.1 per cent to Bt645.6 million, respectively.

Agricultural investment was up Bt156.8 per cent to Bt111.4 million compared with last year's first half.

Vietnam

Commentary Views 26th Joint MIA Search Mission

BK2610113893 Hanoi *Voice of Vietnam* in English
1000 GMT 26 Oct 93

[Station Commentary]

[Text] Last week, many research groups of Vietnam and the U.S. conducted joint searches for American soldiers missing in the Vietnam war. Here is our radio editor's opinion:

This was the 26th joint search between Vietnam and the United States. It was conducted in 19 provinces and involved more than 70 U.S. and Vietnamese personnel.

As previously, Vietnam created favorable conditions for the effective work of the American experts. They were allowed to search any places they suspected to have remains of missing American personnel. Vietnamese local authorities and people also helped in the search.

The U.S. experts acknowledged of this goodwill and positive contribution from Vietnam. U.S. investigators based in Vietnam have commented that Vietnam has cooperated at the high level to help the U.S. settle the missing in action issue. (John Bridgeman), major of the U.S. Marines who is in charge of the MIA office in Hanoi, also said: The effective support of Vietnam has enabled the conducting of this joint search in many provinces. He stressed: By now, MIA experts in Hanoi have collected and identified the remains of 59 American personnel and 35 sets of remains have been sent back to the United States.

Vietnam continues to positively cooperate with the U.S. to settle this issue, and general opinion says that this goodwill from Vietnam is one of the important factors bringing about promising results in resolving the MIA issue.

Fisheries Officials Said Punished for Corruption

BK2210125493 Hong Kong AFP in English 0640 GMT 22 Oct 93

[Text] Hanoi, Oct 22 (AFP)—Fifty officials of Vietnam's Fisheries Ministry have been punished for corruption this year, the newspaper LIBERATED SAIGON said Friday.

Six directors and deputy directors, four captains and two chief accountants were among those disciplined after being found guilty of, among other offences, diverting funds and running contraband, the newspaper said.

They were either dismissed or given ministerial warnings.

Their activities cost the state two million dong (200,000 dollars U.S.) in lost revenue, most of which had been recovered, the report said.

Several "more important" cases of corruption in the fisheries sector were under investigation, it said.

Corruption in Vietnam has grown significantly this year and touches nearly every branch of government, political analysts said.

Since January, hundreds of customs officials have been punished for corruption.

Foreign Minister Nguyen Manh Cam Visits Ukraine

BK2510152393 Hanoi VNA in English 1521 GMT 25 Oct 93

[Text] Hanoi VNA 25 Oct. 25 [dateline as received]—Foreign Minister [F.M.] Nguyen Manh Cam paid an

official visit to Ukraine from Oct. 21-23 as guest of Foreign Minister of Ukraine A. Zlenko. While there, F.M. Cam was received by President and Prime Minister [titles as received] L. Kravchuk and Chairman of the Supreme Soviet I. Plyushch. He held talks with Minister Zlenko, had working sessions with the minister of economy and the minister of foreign economic relations, met with mass media workers and attended the inauguration on the Vietnamese Embassy in Kiev.

During those meetings and talks, the two sides exchanged views on international issues of common concern, and agreed on orientations and measures aimed at promoting the relations between the two countries. Minister Cam affirmed that Vietnam always attaches importance to the consolidation and development of the traditional friendship and cooperation between Vietnam and Ukraine. The Ukrainian side welcomed and highly valued achievements in the renovation process and foreign policies of Vietnam, and expressed their wish for the enhancement of the friendship and multi-sided cooperation with Vietnam. Ukraine also agreed with Vietnam to strengthen cooperation in energy, continue to provide Vietnam with equipment and spare parts for its energy projects. In return, Ukraine will import rubber, farm produce and consumer goods from Vietnam. The two sides agreed to raise the quantity of commercial goods in the coming years. They also exchanged views on possibilities to promote cooperation in the coming period, first of all in the fields of planting and processing rubber, farm produce, ship building and repairing, and technology and science. Ukraine will continue to help Vietnam in personnel training. On this occasion, on behalf of the two governments, Foreign Ministers Nguyen Manh Cam and A. Zlenko signed an agreement on visa exemption for citizens of the two countries. Minister Cam and Ukrainian Minister of Communications and Transport O. Klympush signed an agreement on air service cooperation. The two sides also agreed to sign a agreement on investment promotion and protection, an agreement on avoidance of double taxation and other agreements aimed at creating a legal basis for the development of relations between the two countries.

Groups Make Preparations for Midterm Conference

Ha Tay Prepares for Conference

BK2410085593 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 23 Oct 93

[Text] During 18-19 October, the Ha Tay Party Committee held an enlarged conference, including secretaries of districts and towns party organizations, youth federation units, and all ancillary party affairs sections, to discuss the draft of a report which will be delivered in the upcoming party mid-term national conference.

Regarding the major tasks and orientations for the period to come, the deputies contributed many ideas on

the expansion of investment in terms of size and efficiency and also on the development of the economic mechanism along the path of industrialization and modernization. They also urged more attention to be paid to agricultural development in accordance with the policy of developing merchandise production and called for clear policies on various economic elements. The economic mechanism should be developed uniformly, and the capital and real estate markets should be legally managed to stop the actual and fairly popular practice of selling public lands for individual profit.

The deputies also contended for measures to be carried out to correct irregularities in the policy regarding cadres.

Bac Thai Prepares for Conference

BK2310102193 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 22 Oct 93

[Text] Participants at an enlarged conference held by the Bac Thai Provincial Party Executive Committee to discuss a political report to be presented at the upcoming Mid-Term National Party Congress have unanimously agreed that the report vividly reflects the reality of the country in the renovation process and that it particularly points out those strong and weak points displayed in socioeconomic development, party building, and in the guidance for successive steps toward achieving the targets of making the people prosperous, the country strong, and the society civilized.

Many participants asked that the Central Committee give a more adequate assessment of the cultural-social issue and clarify the reasons for the slow socioeconomic development in and the difficulties now confronting the mountain and high-lying areas. They believed that results obtained from the anticorruption struggle are still poor, that as the initiator of the renovation process, the party is still slow in renovating itself organizationally and in terms of its leadership methods. Its political system is still cumbersome and less effective.

The participants also asked that the Central Committee promptly finalize its theoretical studies on Ho Chi Minh thought so as to widely spread didactic propaganda about this thought among party cadres and members as well as among the people.

Haiphong Prepares for Conference

BK2310125593 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 22 Oct 93

[Text] At an enlarged conference held recently by the Haiphong city party committee, the delegates contributed more than 100 views focused on analyzing and verifying the correctness of and evaluating the Central Committee report. They also elaborated on a number of issues concerning the renovation of party building work and policies on economic and other tasks.

Meanwhile, the comrade party committee members and key cadres of the city discussed the local situation and contributed views on measures to direct the performance of socioeconomic work for the 1993-95 period.

Thanh Hoa Convenes Meeting

BK2510115993 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 24 Oct 93

[Text] The Thanh Hoa Province party committee has convened an enlarged conference to study the draft political report to be presented to the mid-term national party conference. The participants contributed 119 suggestions to the draft report. Many delegates concurred with the contents of the document. They, however, suggested that it is necessary to assess the economic results over the past two and a half years more objectively, based on actual achievements so as to be able to estimate difficulties and avoid complacency and self-satisfaction.

Regarding cultural and social issues, many delegates stressed the need to further clarify a number of practical issues to accurately reflect the actual situation and work out appropriate measures to eliminate hunger, reduce poverty, generate jobs, guarantee social justice, fight corruption and other social vices, improve the sense of moral values and life-style of people of all walks of life, implement human resource development strategies, and provide health care to the public.

Vinh Phu Party Meeting Convenes

BK2510113793 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 24 Oct 93

[Text] The Vinh Phu Province party committee recently convened a two-day enlarged conference to contribute views to the draft political report that will be presented to the mid-term national party conference. In reviewing implementation of the seventh party congress resolution over the past more than two years, many delegates maintained that the relatively comprehensive achievements and steady results recorded so far must be attributed to the correctness of the party's renovation line and the actual application of the economic management mechanism to agriculture. They also stressed the very important role of the peasant household economy and the need for a real motivating force to boost agro-forestry development.

Regarding economic management, some delegates maintained that our lines and policies are correct, but many loopholes still exist, which lead to corrupt practices. They also expressed concern with the spread of such serious social vices as drug addiction, gambling, prostitution, and robbery and theft, as well as the deterioration of moral and social values.

Military Commission Meets

BK2510110993 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 24 Oct 93

[Text] The Communist Party of Vietnam Central Committee's Military Commission recently held an enlarged conference to discuss and contribute ideas to the party Central Committee's draft political report to be presented at the upcoming mid-term national party conference.

The conference urged delegates to spend time studying and contributing more ideas to the draft political report. The conference also discussed general issues and appraised tasks and orientations in renovating the political system, building the party, and strengthening national defense and security. It called for more efforts to supplement and perfect the party Central Committee's draft political report.

Quang Binh Prepares for Conference

BK2510095793 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 24 Oct 93

[Text] The Quang Binh Party Committee has recently held an enlarged conference to discuss the draft political report for the upcoming mid-term party national conference.

At the conference, 521 opinions and suggestions were raised which focused on evaluation of the implementation of Seventh Party Congress resolutions and the major tasks and orientations in the report.

The conference participants also reviewed the socioeconomic development and national security of the area, and discussed strengthening the leadership for the task of

implementing Seventh Party Congress resolutions and other Central Committee resolutions and other local socioeconomic tasks.

Can Tho Province Convenes Session

BK2410151593 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 23 Oct 93

[Text] The Can Tho Province party committee recently convened an enlarged session to contribute views to the draft political report to be presented to the Mid-Term National Party Conference. After being briefed by Comrade Vo Hoan, deputy secretary of the province party committee's standing body, on the basic contents of the draft political report, the delegates held group discussions, displaying a high sense of responsibility toward this important document of the party and unanimously concurring with the main points of the draft political report. They also contributed many practical views to the evaluation of the implementation of the seventh party Congress' Resolution and to the formulation of the orientations and main tasks for the days ahead.

Most of the delegates suggested that the Mid-Term National Party Conference should evaluate and clearly define the role and potential of the Mekong River Delta and should work out appropriate investment policies to make full use of the latter's strengths in all domains, bearing in mind the need to attach special importance to meeting the people's cultural needs, improving their living conditions, and helping them with housing problems so they can keep up with the common development of the nation as a whole. The conference should also clarify the party's leadership role in the handling of economic affairs and internal security, especially at the provincial and lower levels. In this way, the party can exert its overall leadership role without having to assume the work to be done by state agencies and other special sectors.